

**WEEKLY PERFORMANCE SUMMARY**

**May 2, 1994**

***Marketing Information & Analysis***

**File Copy**

**2023656087**

## WEEKLY UPDATE IMPLICATIONS MAY 2, 1994

### Shipments

- Industry weekly volume (9.5 billion units) decreased, with all manufacturers except Liggett declining.
- Industry's April volume (40.8 billion) was 6.5 billion units above projection.
  - Volume difference was almost entirely PM-USA. RJR was below (-0.5 billion) and American stronger (+0.3 billion) than Forecast.
- PM-USA's April shipments (19.1 billion) were 6.8 billion units above O.B.
  - Absence of First Quarter program (4.0) plus above normal McLane/Coremark shipments (2.1 billion) were primary factors.
- In April, PM-USA was the only manufacturer to grow share (+10.2). April (46.8) and YTD share (44.1) are above benchmark.

### Retail

- PM and Marlboro shares are holding at record levels, with week-to-week fluctuation.
- The Discount category has remained stable at 32.4-32.5 since early March.
- Competitive premium brand promotion incidence has increased over the past 4-5 weeks in C-stores.
  - Camel free product and Kool money-off deals are in 31% and 15% of stores, respectively.

### Pricing

- The pricing environment is stable, with price gaps at 43% in C-stores and 41% in supermarkets.
- <99¢ pricing declined to 14% following six weeks of 15-16% incidence.

### Consumer Shares

- Marlboro's smoker and volumetric share trends remain consistent with near record Nielsen and shipment performance levels.

**880959C20Z**

Note: McLane data reporting will resume May 16.

SHIPMENTS

2023656089

---

## PM-USA SECOND QUARTER PERFORMANCE W/E 4/29/94

### Week

- All shipment performance benchmarks remained favorable.
- Industry volume for the week decreased -5.0% to 9.5 billion units. All competitors except Liggett experienced declines.
- PM-USA's weekly shipments of 4.4 billion units was below last week (-9.2%) but remains above projection (+37%). Adjusted for McLane's excess and Marlboro 5 for 4's, PM's adjusted volume approximates our going rate (4.1 billion units).
- PM-USA is 6.8 billion units above April's Original Budget forecast.
  - Absence of 1Q94 trade program resulted in no payback (+4.0 billion).
  - Above average shipments to McLane and CoreMark (+2.1 billion).
  - All other direct account excess purchases (+0.3 billion)
  - Stronger going rate (+0.5 billion).
  - Good Friday warehouse closing adjustment (-0.5 billion)
  - Marlboro Country Store 5 for 4 shipments (+0.4 billion).
- On a 13wm basis, PM-USA's share of 44.7% remained above 2nd quarter target.

### Month

- PM-USA's share for the month and YTD was above Forecast and last year.
  - April (46.9) was +10.9 points above O.B. and +10.2 points above 1993.
  - YTD (44.1) was +3.1 points above O.B. and +3.5 points above 1993.

2023656090

**BENCHMARKS - TOTAL US**  
**SHIPMENTS 13 WEEK MOVING**

	<u>Benchmarks</u>	<u>13 Weeks Ending 29-Apr</u>	<u>Current vs. Benchmark</u>
Philip Morris	42.0	44.7	2.7 Favorable
Marlboro	24.9	27.4	2.5 Favorable
OPB	7.8	8.3	0.5 Favorable
Virginia Slims	2.2	2.4	0.2 Favorable
Benson & Hedges	2.5	2.7	0.2 Favorable
Merit	2.3	2.4	0.1 Favorable
Parliament	0.6	0.6	0.0 Favorable
Basic-Share of Discount	14.2	14.4	0.2 Favorable
Private Label-Share of Market	8.5	6.7*	1.5 Favorable
C-Store Pack Price Lowest Discount**	\$1.34	\$1.34	\$0.00 Favorable

\*Reflects most current data for three months ending March 1994.

\*\*Reflects a change in pricing data source from Market Decisions to Nielsen.

**1609538202**

Ship (13wm) trigger hh

**SHIPMENTS**  
(To All Direct Accounts)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&amp;W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
13 wk Base Jan. 28, 1994	44.37	28.02	11.49	7.00	7.45	2.46
April 29, 1994 (13wm)	<u>44.70</u>	<u>27.96</u>	<u>11.16</u>	<u>7.15</u>	<u>7.44</u>	<u>2.39</u>
	0.33	(0.06)	(0.33)	0.15	(0.01)	(0.07)
<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>				
13 wk Base Jan. 28, 1994	66.38	33.62				
April 29, 1994 (13wm)	<u>66.96</u>	<u>33.04</u>				
	0.58	(0.58)				
<u>PM MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>V. Slims</u>	<u>B &amp; H</u>	<u>Merit</u>	<u>Parliament</u>
13 wk Base Jan. 28, 1994	26.60	8.24	2.39	2.52	2.45	0.66
April 29, 1994 (13wm)	<u>27.36</u>	<u>8.34</u>	<u>2.43</u>	<u>2.65</u>	<u>2.40</u>	<u>0.65</u>
	0.76	0.10	0.04	0.13	(0.05)	(0.01)
<u>PM BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Bristol</u>	<u>Alpine</u>		
13 wk Base Jan. 28, 1994	5.04	1.77	0.21	0.38		
April 29, 1994 (13wm)	<u>4.74</u>	<u>1.81</u>	<u>0.20</u>	<u>0.36</u>		
	(0.30)	0.04	(0.01)	(0.02)		
<u>PM PRIVATE LABEL</u>	<u>PM</u>					
13 wk Base Jan. 28, 1994	2.05					
April 29, 1994 (13wm)	<u>1.81</u>					
	(0.24)					

**260959C202**

**INDUSTRY VOLUME DECLINED 5% VERSUS LAST WEEK, WITH PM POSTING THE LARGEST DECREASE. ALL COMPETITORS DECREASED EXCEPT LIGGETT.**

**WEEKLY VOLUME  
4/29 VS 4/22**

	<u>4/29/94</u>	<u>4/22/94</u>	<u>4/15/94</u>	DIFF VS. <u>PREV. WEEK</u>	<u>% CHANGE</u>
INDUSTRY	9,476	9,970	10,191	(494)	-5.0%
PM	4,397	4,840	4,670	(443)	-9.2%
RJ REYNOLDS	2,497	2,515	2,828	(18)	-0.7%
B & W	1,018	1,036	1,070	(18)	-1.7%
LORILLARD	685	701	707	(16)	-2.3%
AMERICAN	628	683	684	(55)	-8.1%
LIGGETT	250	193	230	57	29.5%

**2023659C20Z**

MFR CHANGES 4/29 VS 4/22

# PRELIMINARY WEEKLY VOLUME AND SHARE

W/E 4/29/94

## WEEK

	<u>VOLUME</u>			<u>SHARE</u>		<u>VOLUME</u>		
	<u>VOLUME</u>	<u>DIFF VS 1993</u>	<u>% CHANGE VS 1993</u>	<u>SHARE</u>	<u>DIFF VS 1993</u>	<u>FCST</u>	<u>DIFF VS FCST</u>	<u>% CHANGE VS FCST</u>
INDUSTRY	9,476	2,600	37.8%			8,603	873	10.1%
PHILIP MORRIS	4,397	1,987	82.4%	46.40	11.35	3,219	1,178	36.6%
R.J. REYNOLDS	2,497	241	10.7%	26.35	-6.45	2,803	-306	-10.9%
B&W	1,018	79	8.4%	10.74	-2.91	1,082	-64	-5.9%
LORILLARD	685	80	13.2%	7.22	-1.57	690	-5	-0.8%
AMERICAN	628	154	32.4%	6.62	-0.27	618	10	1.6%
LIGGETT	250	59	30.6%	2.64	-0.14	191	59	31.0%

	<u>DISCOUNT</u>			<u>PREMIUM</u>		
	<u>VOLUME</u>	<u>SHARE</u>	<u>%CONT.</u>	<u>VOLUME</u>	<u>SHARE</u>	<u>%CONT.</u>
INDUSTRY	2,963	31.27		6,513	68.73	
PHILIP MORRIS	800	27.01	18.2%	3,597	55.22	81.8%
R.J. REYNOLDS	993	33.52	39.8%	1,504	23.09	60.2%
B&W	616	20.79	60.5%	402	6.17	39.5%
LORILLARD	32	1.07	4.6%	653	10.03	95.4%
AMERICAN	336	11.33	53.5%	292	4.48	46.5%
LIGGETT	186	6.26	74.2%	65	0.99	25.8%

2023656094

**PRELIMINARY VOLUME AND SHARE  
W/E 4/29/94**

**TOTAL INDUSTRY YEAR TO DATE**

	<u>VOLUME</u>	<u>DIFF</u>	<u>% CHANGE</u>	<u>SHARE</u>	<u>DIFF</u>	<u>VOLUME</u>	<u>DIFF VS</u>	<u>% CHANGE</u>
		<u>VS 1993</u>	<u>VS 1993</u>		<u>VS 1993</u>	<u>FCST</u>	<u>FCST</u>	<u>VS FCST</u>
INDUSTRY	156,082	22,706	17.0%			145,608	10,474	7.2%
PHILIP MORRIS	68,781	14,700	27.2%	44.07	3.52	59,661	9,120	15.3%
R.J. REYNOLDS	43,629	-315	-0.7%	27.95	-4.99	44,490	-861	-1.9%
B&W	17,446	4,270	32.4%	11.18	1.30	17,296	150	0.9%
LORILLARD	11,501	2,007	21.1%	7.37	0.25	11,201	300	2.7%
AMERICAN	11,078	1,743	18.7%	7.10	0.10	9,875	1,203	12.2%
UGGETT	3,616	297	8.9%	2.32	-0.17	3,085	531	17.2%

**DISCOUNT YEAR TO DATE**

	<u>VOLUME</u>	<u>DIFF</u>	<u>% CHANGE</u>	<u>SHARE</u>	<u>DIFF</u>
		<u>VS 1993</u>	<u>VS 1993</u>		<u>VS 1993</u>
INDUSTRY	51,798	-2,805	-5.1%	33.19	-7.75
PHILIP MORRIS	13,971	-2,648	-15.9%	26.97	-3.46
R.J. REYNOLDS	18,086	-3,373	-15.7%	34.92	-4.38
B&W	10,416	1,432	15.9%	20.11	3.66
LORILLARD	494	-22	-4.3%	0.95	0.01
AMERICAN	6,068	1,293	27.1%	11.71	2.97
UGGETT	2,761	512	22.8%	5.33	1.21

**PREMIUM YEAR TO DATE**

	<u>VOLUME</u>	<u>DIFF</u>	<u>% CHANGE</u>	<u>SHARE</u>	<u>DIFF</u>
		<u>VS 1993</u>	<u>VS 1993</u>		<u>VS 1993</u>
INDUSTRY	104,284	25,511	32.4%	66.81	7.75
PHILIP MORRIS	54,810	17,347	46.3%	52.56	5.00
R.J. REYNOLDS	25,543	3,058	13.6%	24.49	-4.05
B&W	7,030	2,838	67.7%	6.74	1.42
LORILLARD	11,007	2,029	22.6%	10.55	-0.84
AMERICAN	5,010	450	9.9%	4.80	-0.98
UGGETT	855	-216	-20.1%	0.82	-0.54

2023656095

**13WM AVERAGE BY COMPETITOR  
W/E 4/29/94**

INDUSTRY	VOLUME	DIFF % CHANGE		SHARE	DIFF VS PRIOR 13 WKS
		VS PRIOR 13 WKS	VS PRIOR 13 WKS		
	9,495	323	3.5%		
PHILIP MORRIS	4,244	175	4.3%	44.70	0.33
R.J. REYNOLDS	2,604	83	3.3%	27.42	-0.06
B&W	1,048	6	0.5%	11.04	-0.33
LORILLARD	700	23	3.4%	7.37	-0.01
AMERICAN	671	36	5.7%	7.07	0.15
LIGGETT	226	1	0.3%	2.38	-0.07

**DISCOUNT**

INDUSTRY	VOLUME	DIFF % CHANGE		SHARE OF CAT.	DIFF VS PRIOR 13 WKS
		VS PRIOR 13 WKS	VS PRIOR 13 WKS		
	3,137	54	1.7%	33.04	-0.58
PHILIP MORRIS	854	-20	-2.3%	27.23	-1.12
R.J. REYNOLDS	1,084	44	4.2%	34.56	0.81
B&W	625	-5	-0.8%	19.91	-0.51
LORILLARD	30	4	14.4%	0.95	0.11
AMERICAN	370	31	9.1%	11.80	0.80
LIGGETT	173	0	0.2%	5.51	-0.08

**PREMIUM**

VOLUME	DIFF % CHANGE		SHARE OF CAT.	DIFF VS PRIOR 13 WKS
	VS PRIOR 13 WKS	VS PRIOR 13 WKS		
6,358	269	4.4%	66.96	0.58
3,390	194	6.1%	53.32	0.84
1,519	39	2.7%	23.90	-0.41
424	11	2.6%	6.66	-0.12
670	19	2.9%	10.53	-0.15
301	5	1.8%	4.73	-0.12
53	0	0.7%	0.83	-0.03

**960959E20Z**

	1994 BENCHMARK	13WM ACTUAL	DIFF.	BENCHMARK GUIDELINE
PM-USA:	42.00	44.70	2.70	FAVORABLE
MARLBORO SHARE OF INDUSTRY	24.90	27.37	2.47	FAVORABLE
BASIC SHARE OF DISCOUNT	14.20	14.35	0.15	FAVORABLE

# MARLBORO 5 FOR 4

SHIPPING DATE	VOLUME (MILLIONS)		ACTUAL VOLUME (MILLIONS)
	DAY	WEEK	
4/14/94	11.2		
4/15/94	34.0	45.2	49.3
4/18/94	193.4		
4/19/94	0.3		
4/20/94	12.3		
4/21/94			
4/22/94	7.2	213.2	201.8
4/25/94	54.5		
4/26/94	5.0		
4/27/94	6.9		
4/28/94	3.5		
4/29/94	88.7	158.6	126.8
5/2/94	444.8		
5/3/94	94.0		
5/4/94	4.4		
5/5/94	1.1	544.3	
5/9/94	7.8		
5/13/94	5.4	13.2	
5/16/94	47.2		
5/17/94	7.2	54.4	

2023656092

# Philip Morris USA

---

PM SHIPMENTS TO MCLANE EXCEEDED NORM FOR THE FOURTH CONSECUTIVE WEEK. MCLANE'S SALES TO RETAIL HAVE BEEN AVERAGING 535 MILLION PER WEEK.

## TOTAL PM VOLUME MCLANE

(millions of cigarettes)

<u>Week ending</u>	<u>PM shipped to McLane</u>	<u>McLane shipped to Retailers</u>	<u>Difference</u>	<u>Cume Diff. From 1/7/94</u>
1/28	378.6	415.1	-36.5	
2/4	1,945.0	431.9	1,513.1	
2/11	773.1	443.2	329.9	
2/18	540.1	445.8	94.3	
2/25	522.9	461.5	61.4	
3/4	209.5	475.5	-266.0	
3/11	108.6	482.5	-373.9	
3/18	391.8	533.6	-141.8	
3/25	241.2	516.3	-275.1	
4/1	155.3	558.9	-403.6	
4/8	962.8	533.0	429.8	
4/15	1,090.6	529.6	561.0	997.9
4/22	1,099.6	N/A	N/A	
4/29	739.0	N/A	N/A	

**860959C202**

All volumes exclude ten Sam's Clubs in Michigan purchasing directly from PM.

# PM-USA WEEKLY PERFORMANCE

													2Q	
													2Q OB	UPDATED
													WEEKLY	WEEKLY
													TARGET	TARGET
	<u>2/11</u>	<u>2/18</u>	<u>2/25</u>	<u>3/4</u>	<u>3/11</u>	<u>3/18</u>	<u>3/25</u>	<u>4/1</u>	<u>4/8</u>	<u>4/15</u>	<u>4/22</u>	<u>4/29</u>		
MARLBORO	2,597	2,498	2,332	2,289	2,236	2,427	2,196	2,102	2,787	2,917	3,113	2,814	2,359	2,517
B&H	271	310	243	239	237	226	197	179	264	259	265	239	226	239
MERIT	230	234	205	201	198	212	192	181	247	253	254	234	215	219
V.SLIMS	236	232	214	213	203	216	191	183	251	256	252	229	211	220
PARLIAMENT	61	66	54	63	62	58	56	52	63	64	66	62	63	60
OTHER PREMIUM	20	20	19	19	18	19	16	16	21	19	19	18	20	19
CANADIAN	1	1	0	0	0	0	0	0	0	0	0	0	3	0
TOTAL PREMIUM	3,416	3,361	3,067	3,024	2,954	3,158	2,848	2,713	3,634	3,769	3,968	3,597	3,097	3,274
CAMBRIDGE	169	159	188	179	219	170	153	133	175	173	176	172	170	162
ALPINE	36	33	32	33	38	34	29	29	37	37	37	34	40	35
BUCKS	4	3	3	3	3	3	3	3	3	4	3	3	3	3
FVB	171	175	164	161	152	174	155	155	193	191	183	164	175	167
BASIC	461	450	414	416	413	423	541	435	472	471	448	407	475	447
BRISTOL	21	20	20	20	19	22	16	15	19	22	20	17	20	15
PLAYERS 25	4	4	4	4	4	3	4	4	4	4	4	4	3	3
TOTAL DISCOUNT	866	844	825	816	847	829	900	774	904	901	872	800	886	832
TOTAL PM-USA	4,282	4,205	3,892	3,840	3,801	3,988	3,749	3,487	4,538	4,670	4,840	4,397	3,983	4,106

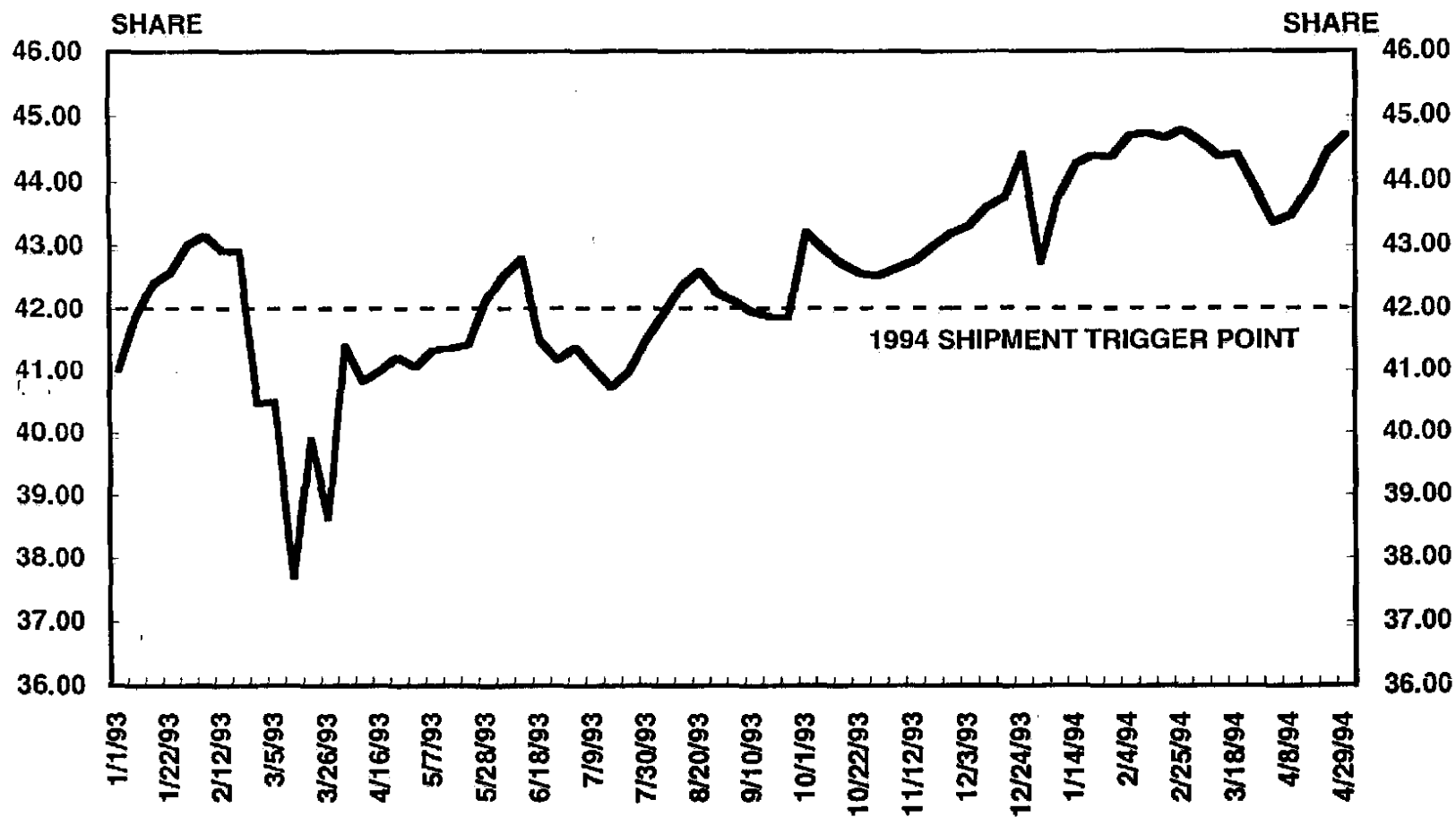
660959C20Z

# PM-USA WEEKLY PERFORMANCE

													2Q	
													2Q OB	UPDATED
													WEEKLY	WEEKLY
													TARGET	TARGET
	<u>2/11</u>	<u>2/18</u>	<u>2/25</u>	<u>3/4</u>	<u>3/11</u>	<u>3/18</u>	<u>3/25</u>	<u>4/1</u>	<u>4/8</u>	<u>4/15</u>	<u>4/22</u>	<u>4/29</u>		
MARLBORO	27.27	26.08	26.07	24.77	24.31	26.52	25.93	25.59	27.40	28.62	31.22	29.69	25.19	26.84
B&H	2.84	3.24	2.72	2.58	2.58	2.46	2.32	2.18	2.60	2.54	2.65	2.52	2.42	2.56
MERIT	2.41	2.44	2.29	2.17	2.15	2.31	2.27	2.21	2.43	2.48	2.54	2.47	2.30	2.34
V.SLIMS	2.48	2.42	2.40	2.30	2.21	2.36	2.26	2.22	2.47	2.51	2.53	2.42	2.25	2.35
PARLIAMENT	0.64	0.69	0.60	0.68	0.67	0.64	0.66	0.64	0.62	0.63	0.66	0.66	0.67	0.64
OTHER PREMIUM	0.21	0.21	0.21	0.20	0.20	0.21	0.20	0.20	0.21	0.21	0.20	0.19	0.21	0.20
CANADIAN	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.00
TOTAL PREMIUM	35.86	35.09	34.29	32.70	32.12	34.50	33.64	33.04	35.73	36.99	39.80	37.95	33.07	34.93
CAMBRIDGE	1.76	1.65	2.09	1.93	2.37	1.84	1.80	1.61	1.71	1.69	1.77	1.82	1.82	1.73
ALPINE	0.38	0.35	0.35	0.36	0.41	0.37	0.34	0.36	0.37	0.37	0.37	0.36	0.43	0.37
BUCKS	0.04	0.04	0.04	0.03	0.03	0.04	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
FVB	1.80	1.83	1.84	1.75	1.66	1.91	1.83	1.89	1.89	1.87	1.83	1.73	1.87	1.78
BASIC	4.85	4.69	4.63	4.51	4.49	4.62	6.39	5.30	4.64	4.62	4.51	4.29	5.07	4.77
BRISTOL	0.23	0.20	0.22	0.21	0.20	0.24	0.19	0.18	0.19	0.21	0.20	0.18	0.21	0.16
PLAYERS 25	0.04	0.04	0.04	0.05	0.04	0.04	0.05	0.06	0.05	0.05	0.04	0.04	0.03	0.03
TOTAL DISCOUNT	9.10	8.80	9.21	8.84	9.20	9.06	10.63	9.43	8.88	8.84	8.75	8.45	9.46	8.87
TOTAL PM-USA	44.96	43.89	43.50	41.54	41.32	43.56	44.27	42.47	44.61	45.83	48.55	46.40	42.53	43.80

0019536202

# PM SHARE OF MARKET 13 WEEK MOVING AVERAGE

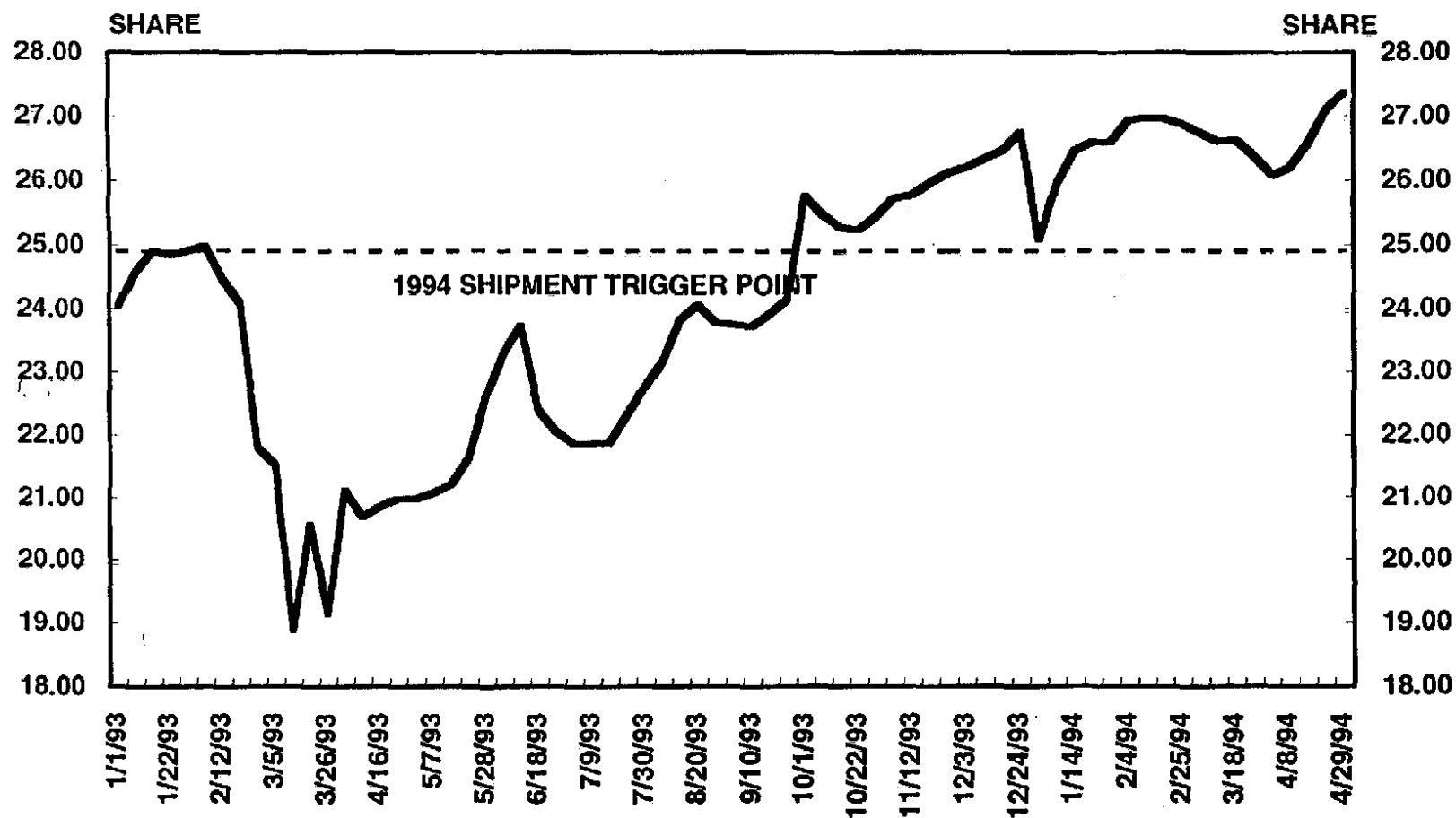


2023656101

SOURCE: MSA SHIPMENTS

13WM BRANDS Chart 1

# MARLBORO SHARE OF MARKET 13 WEEK MOVING AVERAGE

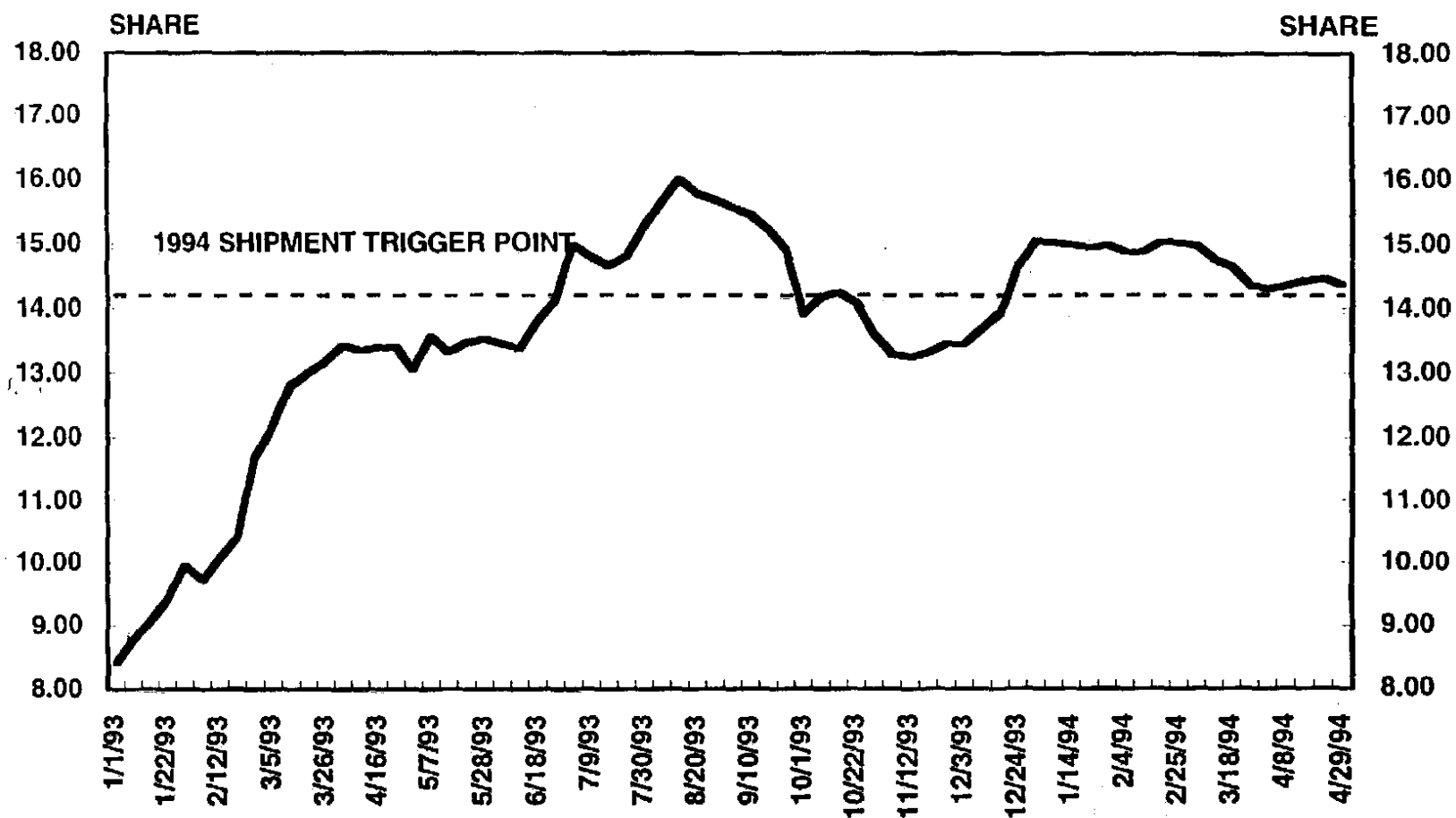


2023656102

SOURCE: MSA SHIPMENTS

13WM BRANDS Chart 2

# **BASIC SHARE OF DISCOUNT 13 WEEK MOVING AVERAGE**



2023656103

SOURCE: MSA SHIPMENTS

13WM BRANDS Chart 4

2023656104

PRICING

## PRICING

**4/23**

- Lowest Discount's pack price increased +1¢ to \$1.34 and Marlboro's price remained at \$1.91 for the eighth consecutive week. The resulting price gap decreased to 57¢ or 42.5%.
  - C-store discount prices are now at benchmark.
- In Supermarkets, Marlboro and the Lowest Discount brands carton prices decreased -4¢ and -11¢, respectively. The resulting price gap increased +7¢ to \$4.74 or 41.0%, offsetting the prior week's gap reduction.
- ≤99¢ incidence decreased to 14%, breaking the past 6 weeks of stability at 15-16% of stores.
- Basic's price gap with the Lowest Discount brand decreased -2 points to 67% of stores, returning to early April's level.
- The occurrence of a single brand lowest priced brand and multiple brands at the lowest price point vary across regions.
  - Region 5 has the most stores with multiple brands at the lowest price point.
  - Region 4 has the highest number of stores with one brand at the lowest price point.

**2023656105**

**Region 5 has the most stores with multiple brands at the lowest price point.  
Region 4 has the most stores with a single brand at the lowest price point.**

	<b>% Stores 1 brand at <u>Lowest Price Point</u></b>	<b>% Stores &gt;1 brand at <u>Lowest Price Point</u></b>
<b>National</b>	<b>60%</b>	<b>40%</b>
<b>Region 1</b>	<b>61%</b>	<b>39%</b>
<b>Region 2</b>	<b>60%</b>	<b>40%</b>
<b>Region 3</b>	<b>58%</b>	<b>42%</b>
<b>Region 4</b>	<b>65%</b>	<b>35%</b>
<b>Region 5</b>	<b>55%</b>	<b>45%</b>

**2023556106**

**Lowest Discount's price increased in more stores than it decreased in, causing the average Lowest Discount price to increase +1¢.**

	% of C-stores		
	<u>Unchanged</u>	<u>Increased</u>	<u>Decreased</u>
Marlboro	96%	2%	2%
Basic	95%	2%	3%
Doral	87%	7%	6%
GPC	88%	7%	5%
RJR P/L	96%	1%	3%
Lowest Discount	85%	9%	6%
Marlboro Gap *	83%	7%	10%
Basic Gap **	85%	5%	10%

\* Marlboro vs. Lowest Discount brand in same store.

\*\* Basic vs. Lowest Discount brand in same store.

SOURCE: NIELSEN PRICING AUDIT

2023656107

In C-stores, Lowest Discount's price increased, after 3 weeks of stability. In Supermarkets, both Premium and Lowest Discount prices decreased.

### C-STORE PACKS

	<u>4/2</u>	<u>4/9</u>	<u>4/16</u>	<u>4/23</u>	<u>Change Prior Week</u>
Marlboro (net)	\$1.91	\$1.91	\$1.91	\$1.91	\$0.00
Lowest Discount	1.33	1.33	1.33	1.34	\$0.01
\$ Gap	0.58	0.58	0.58	0.57	(\$0.01)
% Gap	43.6%	43.6%	43.6%	42.5%	-1.1%

### SUPERMARKET CARTONS

Marlboro (net)	\$16.35	\$16.33	\$16.33	\$16.29	(\$0.04)
Lowest Discount	11.66	11.59	11.66	11.55	(\$0.11)
\$ Gap	4.69	4.74	4.67	4.74	\$0.07
% Gap	40.2%	40.9%	40.1%	41.0%	0.0%

SOURCE: NIELSEN PRICING AUDIT

2023656108

**Marlboro's net pack price gap with Lowest Discount decreased in regions 1 and 4.**

	4/23				Change
	<u>Marlboro</u>	<u>Lowest Discount</u>	<u>\$ GAP</u>	<u>% GAP</u>	<u>From 4/16</u>
NATIONAL	1.91	1.34	\$0.57	42.5%	(\$0.01)
R1	2.09	1.55	\$0.54	34.8%	(\$0.01)
R2	1.78	1.22	\$0.56	45.9%	\$0.01
R3	1.91	1.32	\$0.59	44.7%	\$0.00
R4	1.80	1.28	\$0.52	40.6%	(\$0.02)
R5	2.07	1.38	\$0.69	50.0%	\$0.00

SOURCE: NIELSEN PRICING AUDIT

2023656109

99¢ incidence fell to 14%, breaking the 6 weeks of stability at 15-16%.

		Change vs. <u>1 WAGO</u>	Change vs. <u>4 WAGO</u>	Weighted Avg. <u>State Tax</u>
NATIONAL	<u>4/23</u> 14.2%	-0.6	-1.4	\$0.29
R1	1.4%	0.0	1.4	\$0.43
R2	20.4%	-0.8	-6.2	\$0.18
R3	17.9%	-0.5	4.6	\$0.31
R4	20.2%	-1.4	-1.6	\$0.26
R5	6.2%	-0.1	-4.8	\$0.33

SOURCE: NIELSEN PRICING AUDIT

2023656110

Across all common C-stores, Basic's NET average pack price gap decreased with the Lowest Discount brand, offsetting last week's gain.

	<u>4/2</u>	<u>4/9</u>	<u>4/16</u>	<u>4/23</u>	Change vs. <u>Prior Week</u>
Basic	\$1.53	\$1.53	\$1.53	\$1.53	\$0.00
Same Store Gaps					
GPC	0.13	0.12	0.13	0.13	0.00
Monarch	0.06	0.06	0.06	0.06	0.00
Lowest Discount	0.21	0.21	0.22	0.21	-0.01

SOURCE: NIELSEN PRICING AUDIT

2023656111

**The number of stores where Basic's pack price > Lowest Discount by more than 10¢ decreased to early April's level.**

<b>Basic vs. Lowest Discount in C-stores</b>				
	<u>4/2</u>	<u>4/9</u>	<u>4/16</u>	<u>4/23</u>
# SAME STORES	330	328	329	336
<u>BASIC &gt; LOWEST DISC. BY 10¢*</u>				
# STORES	222	222	226	226
% STORES	67%	68%	69%	67%
<u>PRICE DISADVANTAGE *</u>				
AVG. \$	\$0.30	\$0.30	\$0.30	\$0.30
MAXIMUM	\$0.86	\$0.86	\$0.86	\$0.86
MINIMUM	\$0.12	\$0.12	\$0.12	\$0.12

\* All comparisons are based on stores with both brands in distribution.

\*\* Price disadvantage ONLY in stores where Basic's price > Lowest Discount by more than 10¢.

SOURCE: NIELSEN PRICING PANEL

**2023656112**

The number of stores where Basic's pack price > GPC by more than 10¢ remained relatively unchanged.

Basic vs. GPC in C-stores				
	<u>4/2</u>	<u>4/9</u>	<u>4/16</u>	<u>4/23</u>
# SAME STORES	220	225	221	229
<u>BASIC &gt; GPC by 10¢*</u>				
# STORES	113	110	114	117
% STORES	51%	49%	52%	51%
<u>PRICE DISADVANTAGE *</u>				
AVG. \$	\$0.24	\$0.24	\$0.24	\$0.25
MAXIMUM	\$0.68	\$0.68	\$0.56	\$0.60
MINIMUM	\$0.14	\$0.14	\$0.14	\$0.14

\* All comparisons are based on stores with both brands in distribution.

\*\* Price disadvantage ONLY in stores where Basic's price > GPC by more than 10¢.

SOURCE: NIELSEN PRICING PANEL

2023656113

**NIELSEN**

**2023656114**

## PM'S ALL OUTLET COMBINED PERFORMANCE WEEKLY INTEGRATED NIELSEN - W/E 4/16/94

- All performance benchmarks remain favorable except Basic's share of Discount.
- PM's weekly share declined -0.2 points versus week-ago to 45.8%, with Basic driving company performance. Marlboro and Other Premium Brands were stable week-to-week.
  - Marlboro's four week performance was up +0.2 points versus four weeks ago to 27.6%.
- RJR's weekly share was unchanged week-to-week at 29.2%, as gains by Winston, Doral and Monarch (+0.1 points each) were offset by RJR's Private Label and Best Value losses (-0.2 and -0.1 points respectively).
- The Discount category's share declined -0.2 points versus week-ago to 32.3%, with the loss driven by the Private Label segment (RJR's PL franchises accounted for all of the decline).
  - On a four week basis, the Discount category has held between 32.4 - 32.5 share since w/e March 5.

**2023656115**

**BENCHMARKS - TOTAL US**  
**WEEKLY INTEGRATED NIELSEN - ALL OUTLET COMBINED**

	<u>Target</u>	<u>Benchmarks*</u>	<u>4 w/e 16-Apr</u>	<u>Current vs. Benchmark</u>
Philip Morris	44.2	44.5 (lower limit)	45.8	1.3 Favorable
Marlboro	25.7	26.3 (lower limit)	27.6	1.3 Favorable
OPB	8.8	8.9 (lower limit)	9.1	0.2 Favorable
Virginia Slims	2.7	2.7 (lower limit)	2.9	0.2 Favorable
Benson & Hedges	2.5	2.5 (lower limit)	2.6	0.1 Favorable
Merit	2.8	2.8 (lower limit)	2.9	0.1 Favorable
Parliament	0.6	0.6 (lower limit)	0.6	0.0 Favorable
Basic Shr. of Disc. (SOC)	15.1	14.5 (lower limit)	14.3	0.2 Unfavorable
Discount Category	34.5	+2.0 Pts. (upper limit)**	32.4	2.1 Favorable
Private Label	8.5	9.0 (upper limit)	7.8	1.2 Favorable

\* Revised to reflect 1994 First Revised Forecast.

\*\* Annualized category growth (upper limit) is +2.0 points. First 6 months of 1994 total Discount category cannot exceed 34.5%.

9119538202

Nlsn INT weekly bench

**NIELSEN INTEGRATED DATA**  
(All Outlets Combined)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&amp;W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base March 1993	41.63	33.58	10.70	5.92	5.73	2.31
April 16, 1994 (4WM)	<u>45.77</u>	<u>29.35</u>	<u>10.11</u>	<u>6.32</u>	<u>6.33</u>	<u>1.96</u>
	4.14	(4.23)	(0.59)	0.40	0.60	(0.35)

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base March 1993	61.96	37.70	28.36	9.35
April 16, 1994 (4WM)	<u>67.49</u>	<u>32.37</u>	<u>24.56</u>	<u>7.82</u>
	5.53	(5.33)	(3.80)	(1.53)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPR</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base March 1993	22.04	9.06	5.61	0.43	3.82
April 16, 1994 (4WM)	<u>27.60</u>	<u>9.11</u>	<u>5.89</u>	<u>0.87</u>	<u>4.34</u>
	5.56	0.05	0.28	0.44	0.52

<u>MAJOR BRANDS</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>	<u>Kool</u>	<u>Newport</u>
Base March 1993	4.22	1.72	0.80	3.27	3.24
April 16, 1994 (4WM)	<u>3.95</u>	<u>1.42</u>	<u>0.65</u>	<u>3.11</u>	<u>3.85</u>
	(0.27)	(0.30)	(0.15)	(0.16)	0.61

<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base March 1993	4.00	2.25	0.52	4.27	0.88	0.93	2.81	3.51	4.48
April 16, 1994 (4WM)	<u>4.63</u>	<u>1.85</u>	<u>0.43</u>	<u>4.63</u>	<u>1.03</u>	<u>1.17</u>	<u>1.99</u>	<u>1.16</u>	<u>4.51</u>
	0.63	(0.40)	(0.09)	0.36	0.15	0.24	(0.82)	(2.35)	0.03

<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base March 1993	2.96	4.74	1.22	0.43
April 16, 1994 (4WM)	<u>1.79</u>	<u>4.14</u>	<u>1.07</u>	<u>0.82</u>
	(1.17)	(0.60)	(0.15)	0.39

211959E202

NOTE: In the Integrated Nielsen Panel, Premium plus Discount does not equal Total due to the inclusion of miscellaneous promotional volume.

**NIELSEN INTEGRATED DATA**  
(All Outlets Combined)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&amp;W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base July 1993	45.50	31.87	9.81	5.50	5.38	1.82
April 16, 1994 (4WM)	<u>45.77</u>	<u>29.35</u>	<u>10.11</u>	<u>6.32</u>	<u>6.33</u>	<u>1.96</u>
	0.27	(2.52)	0.30	0.82	0.95	0.14

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base July 1993	64.54	35.31	26.41	8.90
April 16, 1994 (4WM)	<u>67.49</u>	<u>32.37</u>	<u>24.56</u>	<u>7.82</u>
	2.95	(2.94)	(1.85)	(1.08)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base July 1993	26.63	8.30	6.10	0.58	3.88
April 16, 1994 (4WM)	<u>27.60</u>	<u>9.11</u>	<u>5.89</u>	<u>0.87</u>	<u>4.34</u>
	0.97	0.81	(0.21)	0.29	0.46

<u>MAJOR BRANDS</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>	<u>Kool</u>	<u>Newport</u>
Base July 1993	3.91	1.49	0.68	3.01	3.17
April 16, 1994 (4WM) -	<u>3.95</u>	<u>1.42</u>	<u>0.65</u>	<u>3.11</u>	<u>3.85</u>
	0.04	(0.07)	(0.03)	0.10	0.68

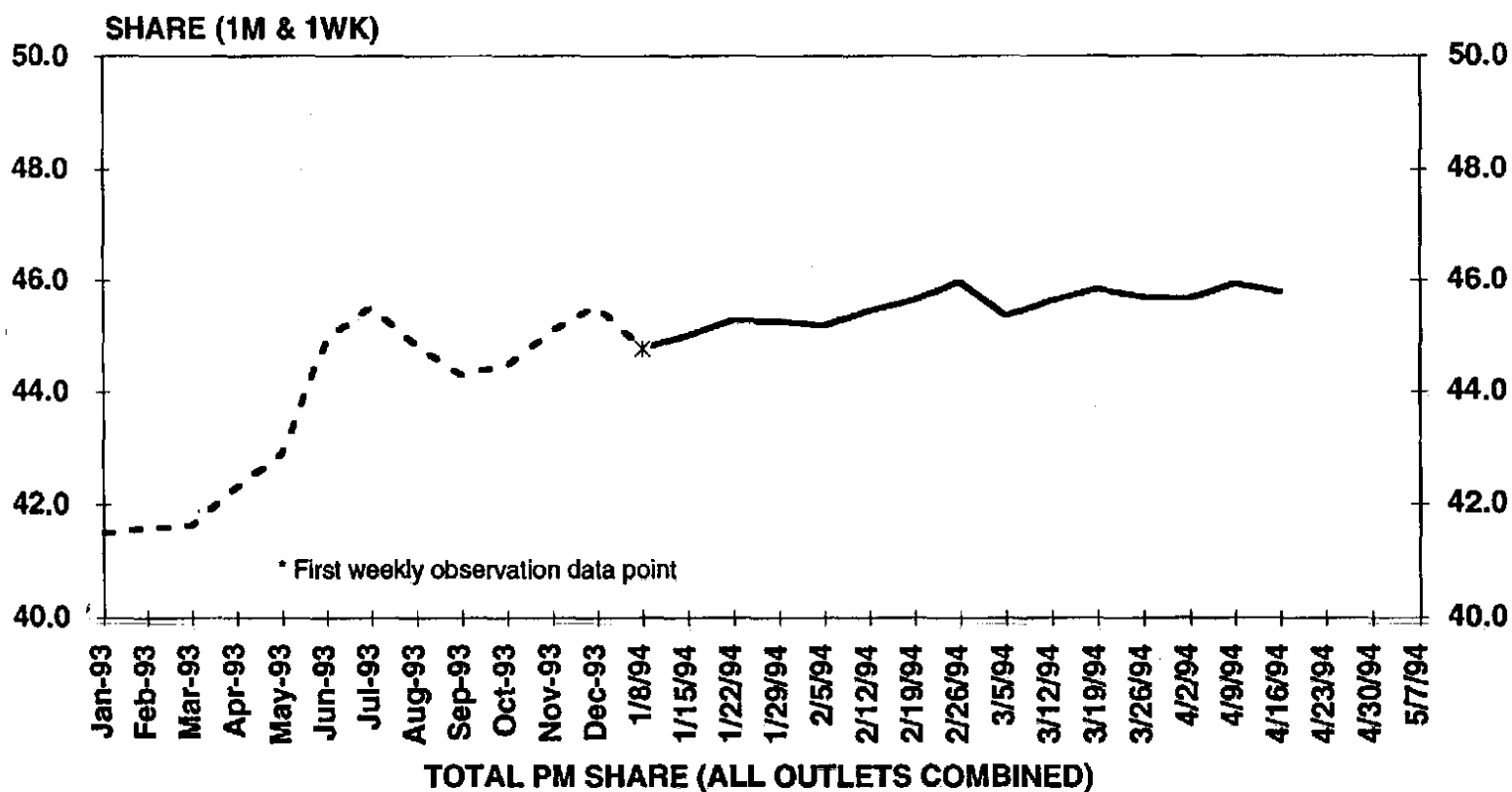
<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base July 1993	4.95	1.94	0.44	4.66	0.83	0.83	2.43	2.27	4.13
April 16, 1994 (4WM)	<u>4.63</u>	<u>1.85</u>	<u>0.43</u>	<u>4.63</u>	<u>1.03</u>	<u>1.17</u>	<u>1.99</u>	<u>1.16</u>	<u>4.51</u>
	(0.32)	(0.09)	(0.01)	(0.03)	0.20	0.34	(0.44)	(1.11)	0.38

<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base July 1993	2.75	4.63	0.97	0.55
April 16, 1994 (4WM)	<u>1.79</u>	<u>4.14</u>	<u>1.07</u>	<u>0.82</u>
	(0.96)	(0.49)	0.10	0.27

8119598202

NOTE: In the Integrated Nielsen Panel, Premium plus Discount does not equal Total due to the inclusion of miscellaneous promotional volume.

PM'S WEEKLY SHARE DECLINED -0.15 POINTS VERSUS WEEK-AGO TO 45.8%, WHILE ON A FOUR WEEK BASIS PM'S PERFORMANCE WAS UP +0.1 POINTS VERSUS FOUR WEEKS-AGO.

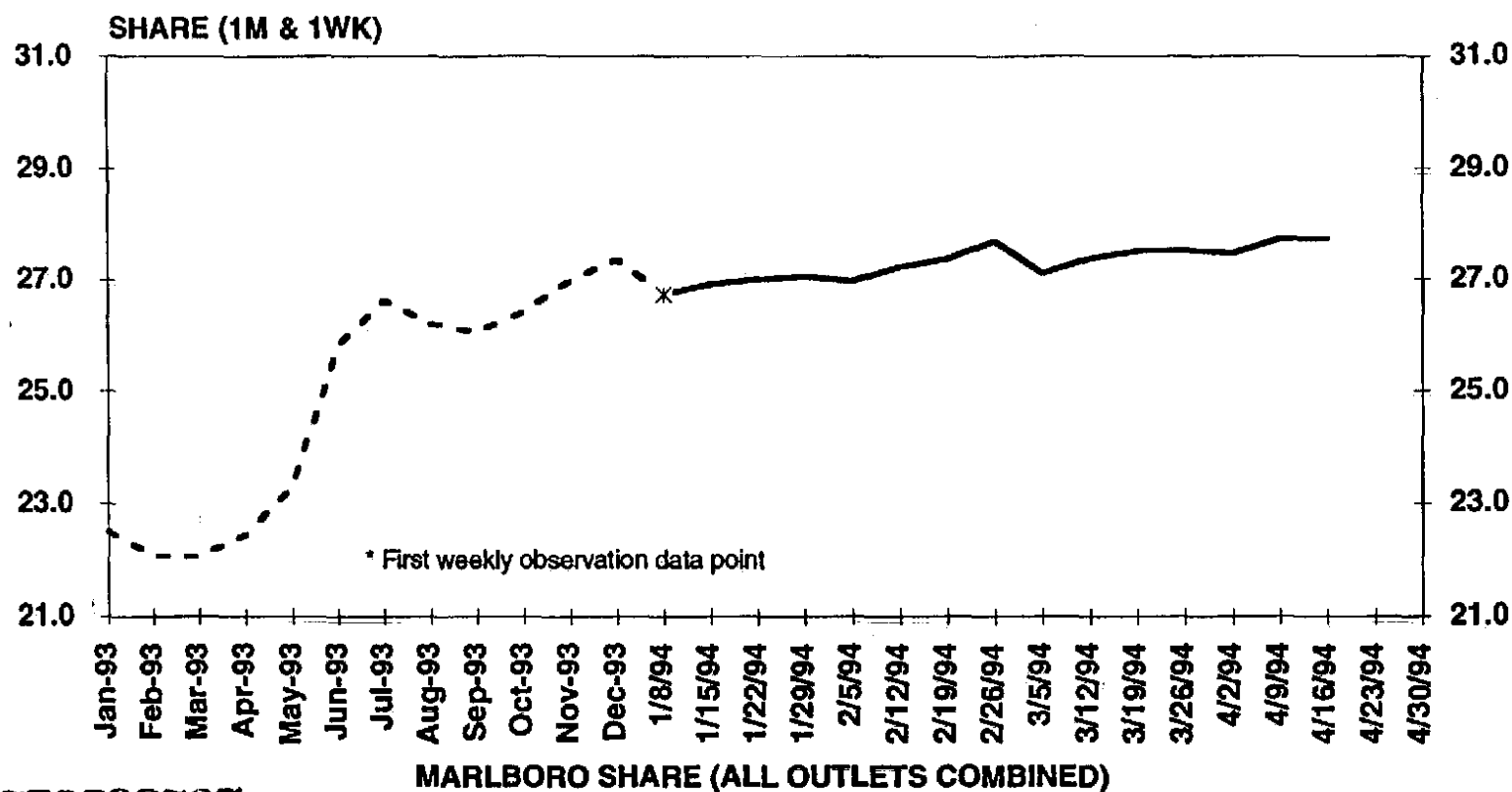


6119593202

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 1

**MARLBORO'S SHARE WAS UNCHANGED WEEK-TO-WEEK AT 27.7%, WHILE ON A FOUR WEEK BASIS THE FRANCHISE ADVANCED +0.2 POINTS VERSUS FOUR WEEKS-AGO.**

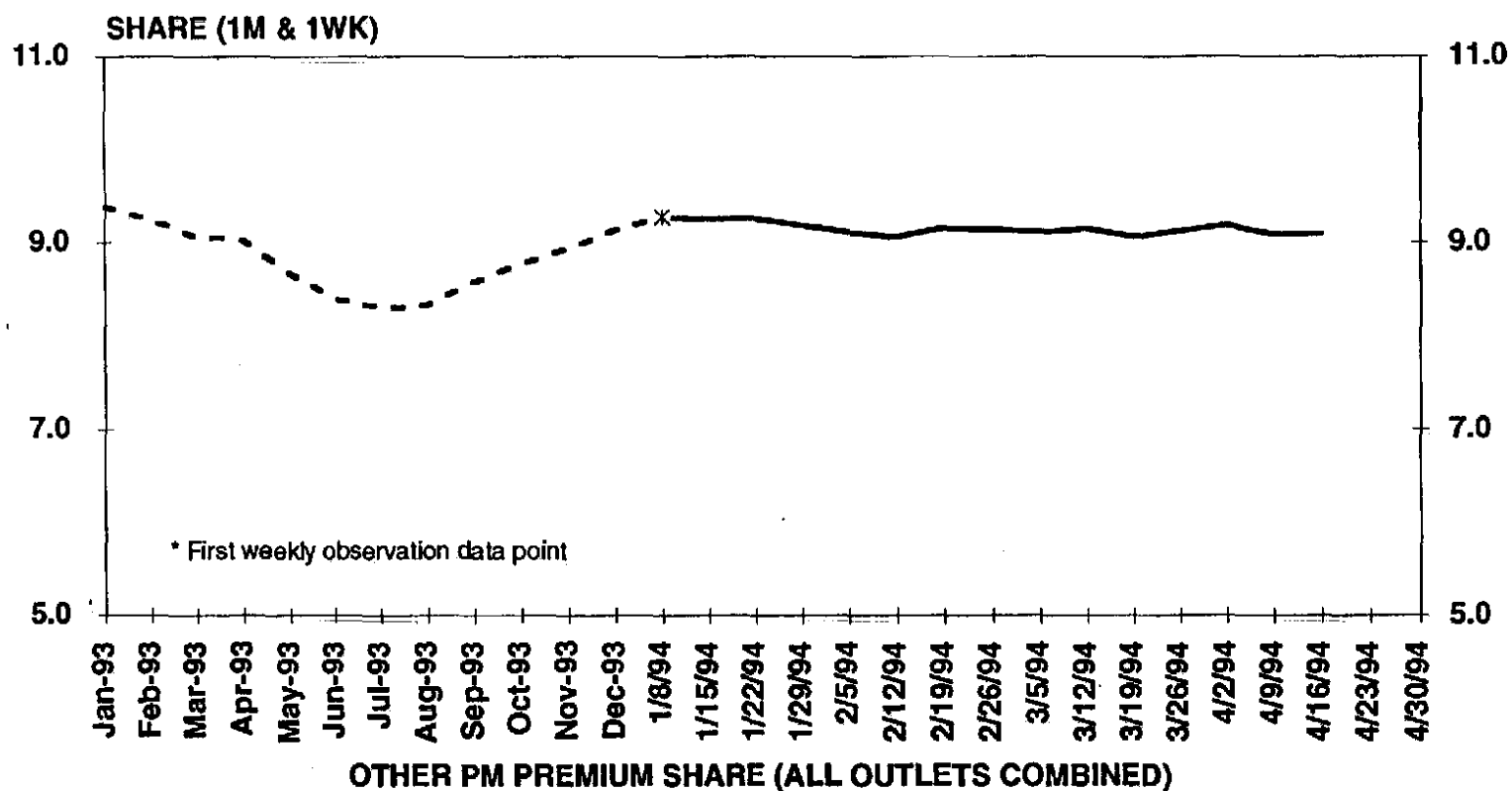


021959C202

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 4

PM'S OTHER PREMIUM BRANDS' SHARE WAS STABLE BOTH ON A WEEK-TO-WEEK AND FOUR WEEK BASIS AT 9.1%.

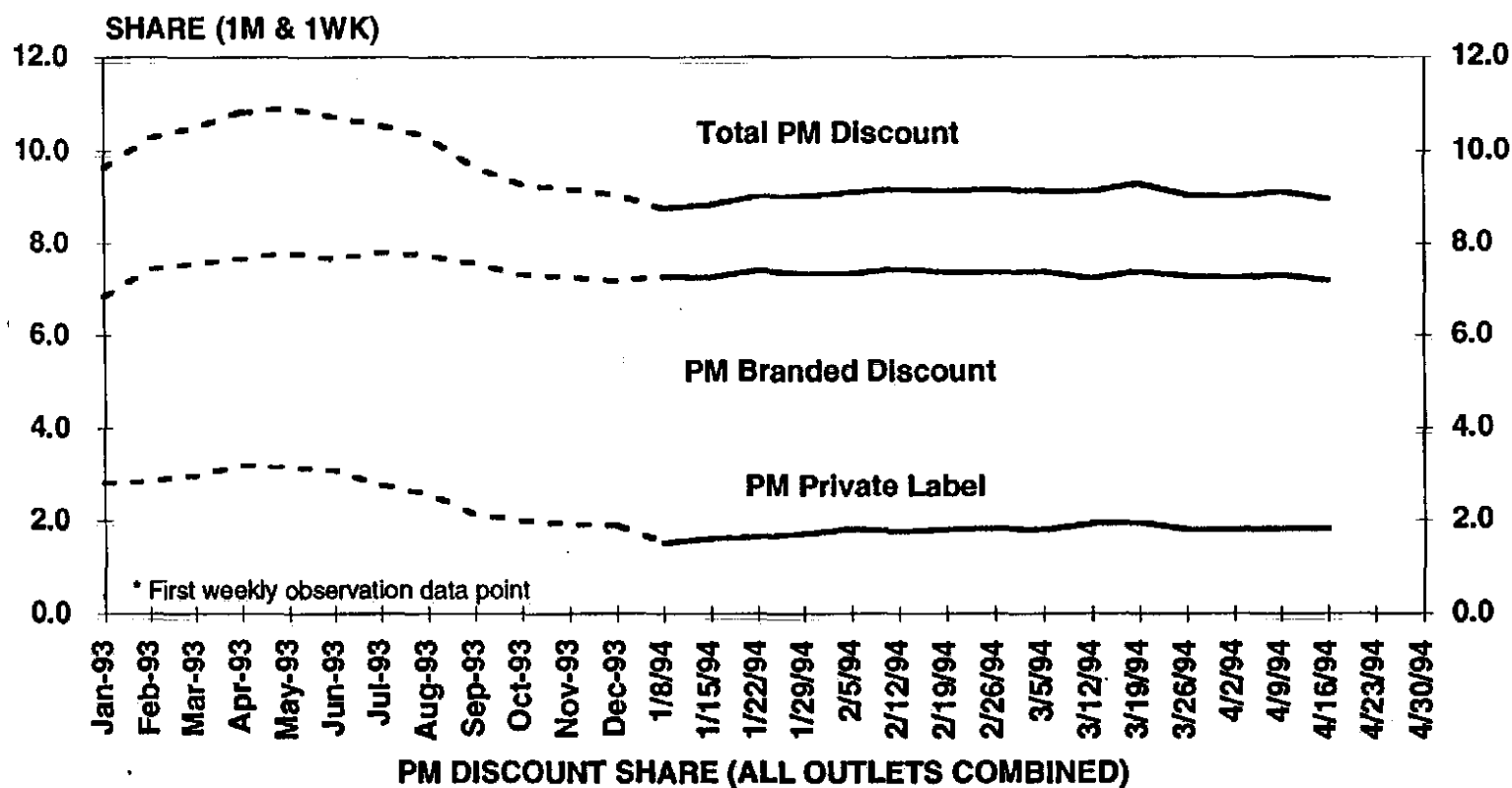


2023656121

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 2

PM'S DISCOUNT SHARE DECLINED -0.2 POINTS VERSUS WEEK-AGO TO 9.0%, DRIVEN PRIMARILY BY BASIC AND ALPINE LOSSES OF -0.1 POINTS EACH.

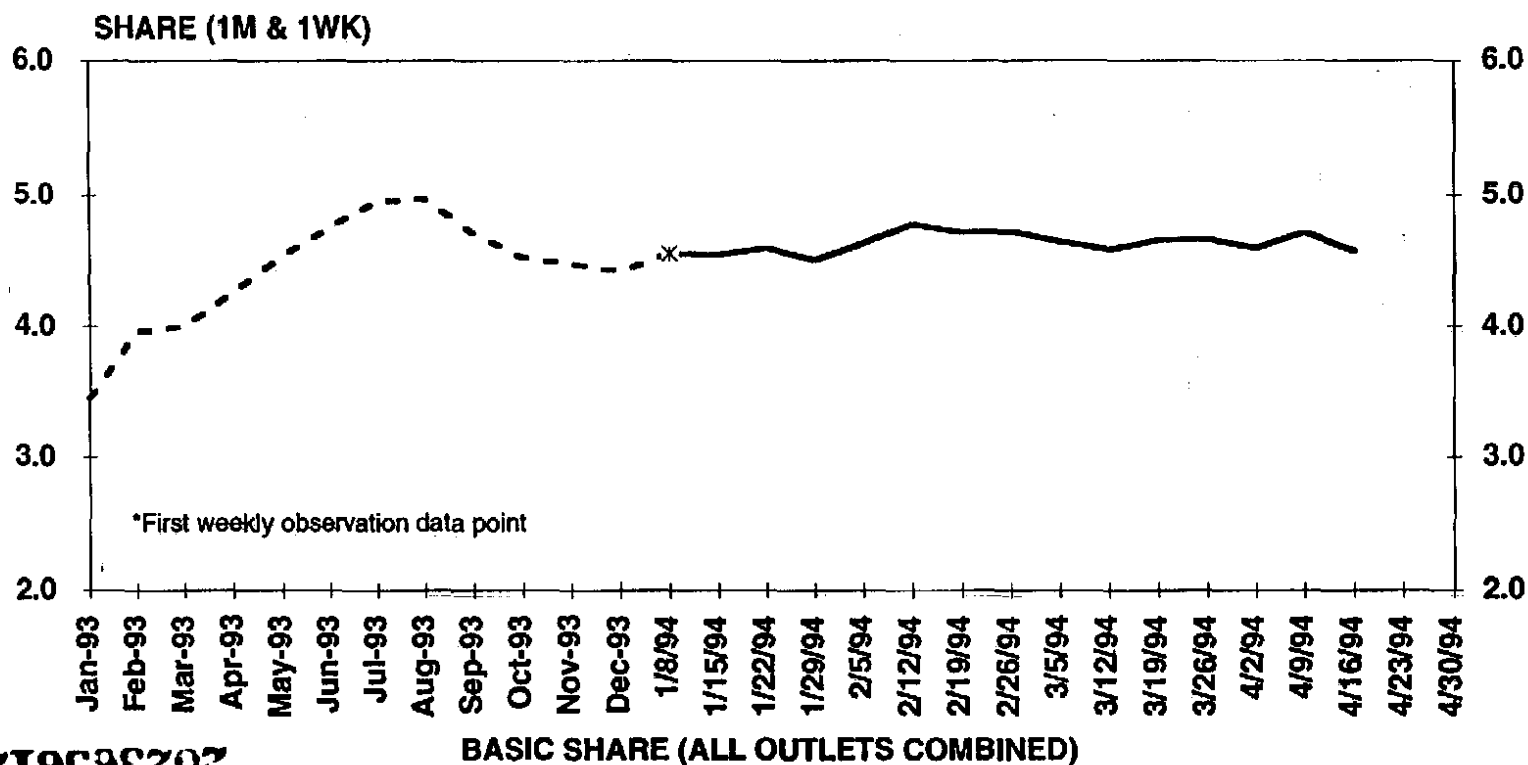


2219593202

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 3

**BASIC'S SHARE DECLINED -0.1 POINTS VERSUS WEEK-AGO TO 4.6%, WHILE UNCHANGED ON A FOUR WEEK BASIS VERSUS FOUR WEEKS-AGO.**

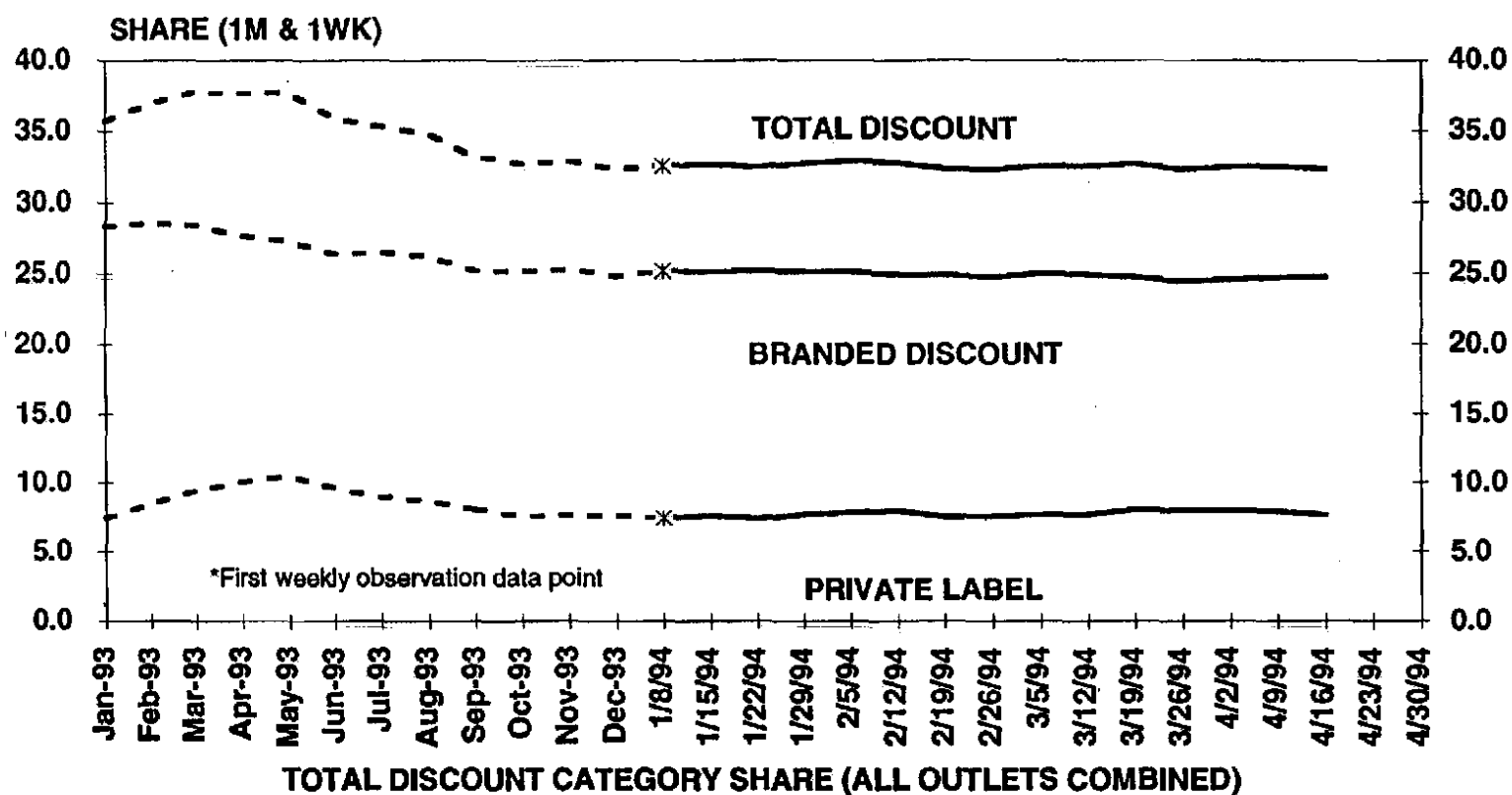


2023656123

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 8

THE DISCOUNT CATEGORY'S SHARE DECLINED -0.2 POINTS VERSUS WEEK-AGO TO 32.3%, WITH THE LOSS DRIVEN BY THE PRIVATE LABEL SEGMENT (SPECIFICALLY RJR'S PL'S).

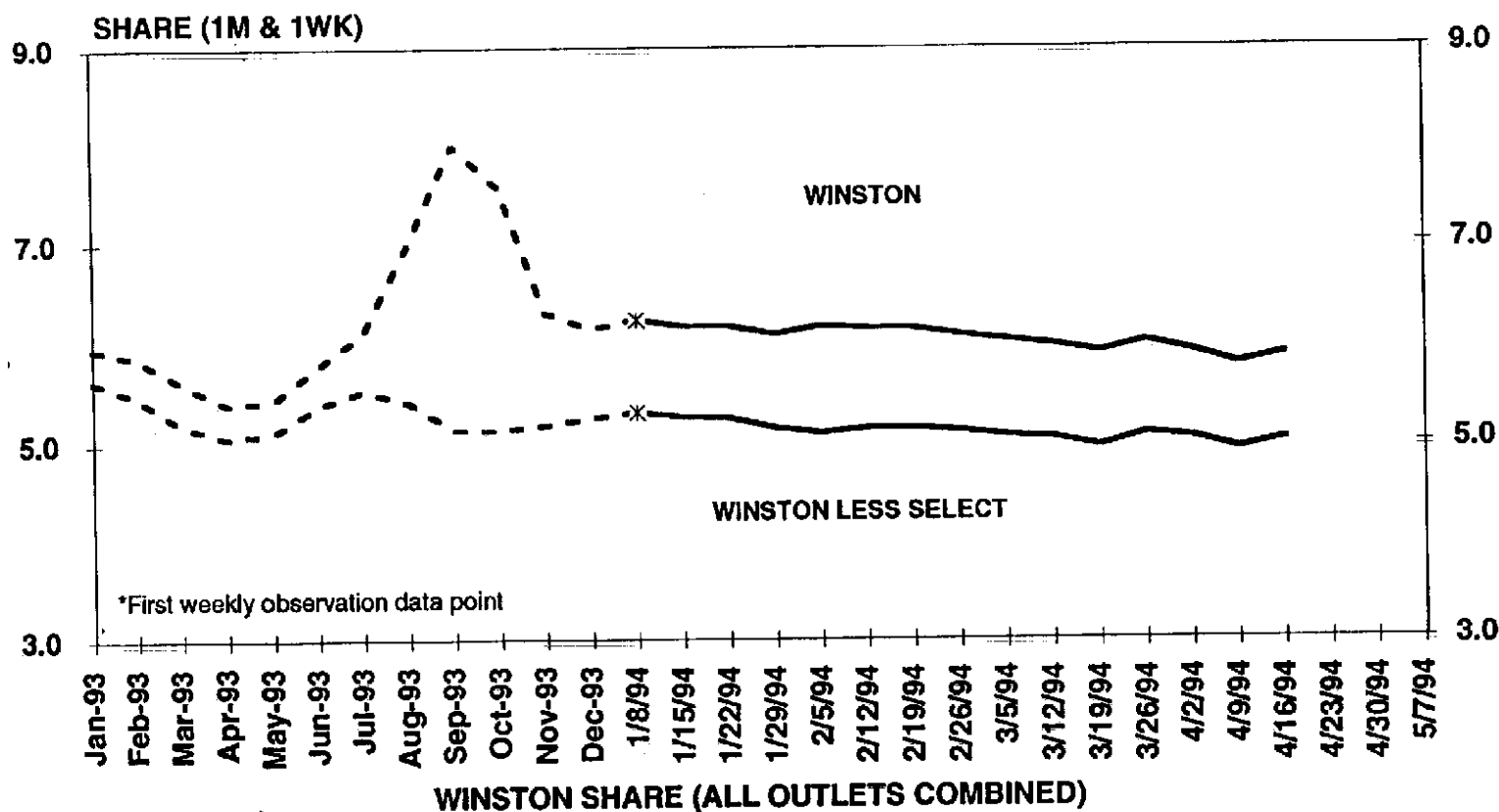


2023656124

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 6

WINSTON'S SHARE GAINED +0.1 POINTS VERSUS WEEK-AGO TO 5.9%, WHILE THE FRANCHISE'S FOUR WEEK PERFORMANCE DECLINED -0.1 POINTS VERSUS FOUR WEEKS-AGO.



2023656125

Source: Integrated Nielsen Panel

Nielsen Int weekly Chart 10

2023656126

NIELSEN  
C-STORE

## **PM'S PERFORMANCE IN C-STORES** **WEEKLY C-STORE AUDITS W/E 4/16/94**

- PM's share declined -0.4 points versus week-ago to 47.6%, erasing all of last week's gain. On a four week basis, performance was down -0.1 points.
  - Week to week, share losses occurred among all PM segments: Marlboro (-0.1), other Premium Brands (-0.1) and Discount brands (-0.2), primarily Basic.
- The Discount Category's weekly share advanced +0.1 points versus week-ago to 33.3%, with Branded Discount gains partially offset by Private Label losses.
- RJR's weekly share was up +0.1 points versus week-ago to 28.5%, as gains by Winston, Doral and Monarch were partially offset by Best Value and Private Label losses.
- Competitive Premium brand promotions continued to increase.
  - Incidence of Camel free product deals nearly doubled (to 31% of stores) in the past five weeks. The largest incidence occurred in Region 4, +11% for the week, to 39%.
  - Kool money-off deals increased to 15% of stores since w/e 3/12. Incidence by region is 10-19%.

2023656127

**BENCHMARKS - TOTAL US**  
**NIELSEN WEEKLY C-STORE AUDITS (800 STORES)**

	<u>Benchmarks</u>	<u>4 Weeks Ending 16-Apr</u>	<u>Current vs. Benchmark</u>
Philip Morris	45.2 (lower limit)	47.7	2.5 Favorable
Marlboro	28.2 (lower limit)	30.6	2.4 Favorable
OPB	7.7 (lower limit)	8.0	0.3 Favorable
Virginia Slims	2.3 (lower limit)	2.3	0.0 Favorable
Benson & Hedges	2.2 (lower limit)	2.4	0.2 Favorable
Merit	2.6 (lower limit)	2.7	0.1 Favorable
Parliament	0.4 (lower limit)	0.5	0.1 Favorable
Basic - Shr. of Discount	16.3 (lower limit)	15.0	1.3 Unfavorable
Discount Category	+2.0 Pts. (upper limit)*	33.2	1.7 Favorable
Private Label	10.2 (upper limit)	9.5	0.7 Favorable
Lowest Disc. Price **	\$1.34 (lower limit)	\$1.33	\$0.01 Unfavorable
Absolute Price Gap ***	\$0.57 (upper limit)	\$0.58	\$0.01 Unfavorable

\* Annualized category growth (upper limit) is +2.0 points. First 6 months of 1994 total Discount category cannot exceed 34.9%.

\*\* Source: Nielsen Weekly Pricing Audits (linear average)

\*\*\* Marlboro versus lowest Discount.

821959202

C-store bench 800

**NIELSEN WEEKLY C-STORE DATA**  
**(800 C-Stores)**

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&amp;W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base March 1993	43.22	33.88	11.01	4.76	5.74	1.37
April 16, 1994 (4WM)	<u>47.70</u>	<u>28.56</u>	<u>10.48</u>	<u>5.43</u>	<u>6.30</u>	<u>1.48</u>
	4.48	(5.32)	(0.53)	0.67	0.56	0.11

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base March 1993	60.26	39.73	28.11	11.63
April 16, 1994 (4WM)	<u>66.82</u>	<u>33.18</u>	<u>23.70</u>	<u>9.48</u>
	6.56	(6.55)	(4.41)	(2.15)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base March 1993	24.43	7.70	5.16	0.51	4.27
April 16, 1994 (4WM)	<u>30.58</u>	<u>7.97</u>	<u>5.42</u>	<u>0.97</u>	<u>4.82</u>
	6.15	0.27	0.26	0.46	0.55

<u>MAJOR BRANDS</u>	<u>Newport</u>	<u>Kool</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>
Base March 1993	3.90	3.39	3.70	1.41	0.46
April 16, 1994 (4WM)	<u>4.48</u>	<u>3.22</u>	<u>3.44</u>	<u>1.17</u>	<u>0.39</u>
	0.58	(0.17)	(0.26)	(0.24)	(0.07)

<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base March 1993	4.89	1.46	0.40	3.36	0.75	0.90	4.08	2.88	4.95
April 16, 1994 (4WM)	<u>4.97</u>	<u>1.31</u>	<u>0.32</u>	<u>4.01</u>	<u>0.87</u>	<u>1.20</u>	<u>2.64</u>	<u>0.68</u>	<u>5.11</u>
	0.08	(0.15)	(0.08)	0.65	0.12	0.30	(1.44)	(2.20)	0.16

<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base March 1993	3.56	6.97	0.57	0.53
April 16, 1994 (4WM)	<u>2.22</u>	<u>5.14</u>	<u>1.02</u>	<u>1.10</u>
	(1.34)	(1.83)	0.45	0.57

**621959C202**

Source: Nielsen Integrated Panel.

Note: In the Integrated Nielsen Panel, Premium plus Discount does not equal Total due to the inclusion of miscellaneous promotional volume.

**NIELSEN WEEKLY C-STORE DATA**  
(800 C-Stores)

<u>COMPANY</u>	<u>PM</u>	<u>RJR</u>	<u>B&amp;W</u>	<u>American</u>	<u>Lorillard</u>	<u>Liggett</u>
Base July 1993	47.59	31.33	9.95	4.62	5.36	1.09
April 16, 1994 (4WM)	<u>47.70</u>	<u>28.56</u>	<u>10.48</u>	<u>5.43</u>	<u>6.30</u>	<u>1.48</u>
	0.11	(2.77)	0.53	0.81	0.94	0.39

<u>CATEGORY</u>	<u>Premium</u>	<u>Discount</u>	<u>Branded Discount</u>	<u>Private Label</u>
Base July 1993	64.00	36.00	25.39	10.62
April 16, 1994 (4WM)	<u>66.82</u>	<u>33.18</u>	<u>23.70</u>	<u>9.48</u>
	2.82	(2.82)	(1.69)	(1.14)

<u>MAJOR BRANDS</u>	<u>Marlboro</u>	<u>PM OPB</u>	<u>Winston</u>	<u>Select</u>	<u>Camel</u>
Base July 1993	29.66	7.07	5.89	0.65	4.34
April 16, 1994 (4WM)	<u>30.58</u>	<u>7.97</u>	<u>5.42</u>	<u>0.97</u>	<u>4.82</u>
	0.92	0.90	(0.47)	0.32	0.48

<u>MAJOR BRANDS</u>	<u>Newport</u>	<u>Kool</u>	<u>Salem</u>	<u>Vantage</u>	<u>Now</u>
Base July 1993	3.74	3.13	3.33	1.20	0.41
April 16, 1994 (4WM)	<u>4.48</u>	<u>3.22</u>	<u>3.44</u>	<u>1.17</u>	<u>0.39</u>
	0.74	0.09	0.11	(0.03)	(0.02)

<u>BRANDED DISCOUNTS</u>	<u>Basic</u>	<u>Cambridge</u>	<u>Alpine</u>	<u>Doral</u>	<u>Misty</u>	<u>Montclair</u>	<u>Monarch</u>	<u>Best Value</u>	<u>GPC</u>
Base July 1993	5.59	1.38	0.34	3.50	0.77	0.84	3.34	1.64	4.44
April 16, 1994 (4WM)	<u>4.97</u>	<u>1.31</u>	<u>0.32</u>	<u>4.01</u>	<u>0.87</u>	<u>1.20</u>	<u>2.64</u>	<u>0.68</u>	<u>5.11</u>
	(0.62)	(0.07)	(0.02)	0.51	0.10	0.36	(0.70)	(0.96)	0.67

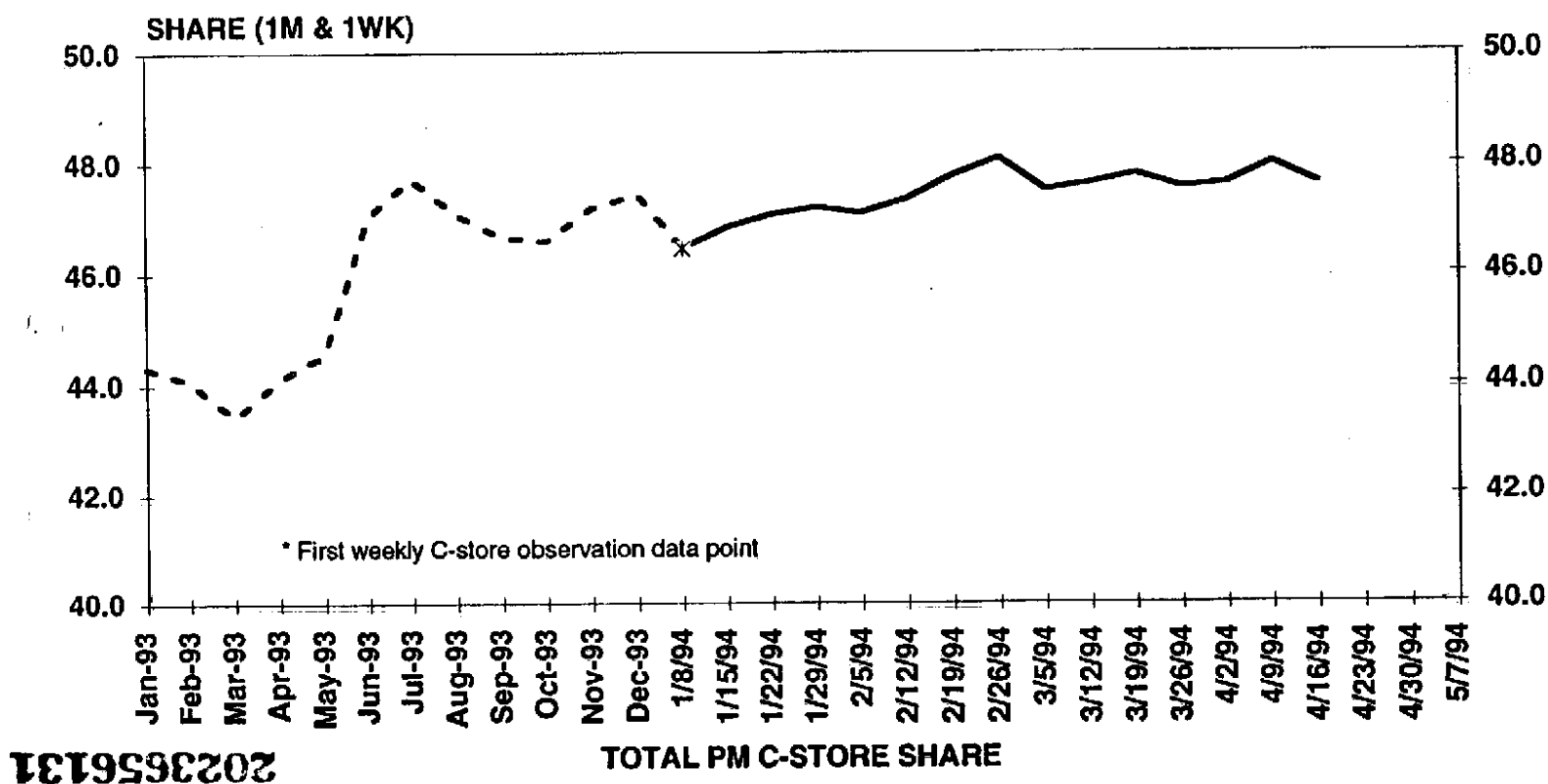
<u>PRIVATE LABEL</u>	<u>PM</u>	<u>RJR</u>	<u>Liggett</u>	<u>American</u>
Base July 1993	3.05	6.32	0.52	0.73
April 16, 1994 (4WM)	<u>2.22</u>	<u>5.14</u>	<u>1.02</u>	<u>1.10</u>
	(0.83)	(1.18)	0.50	0.37

001959E202

Source: Nielsen Integrated Panel.

Note: In the Integrated Nielsen Panel, Premium plus Discount does not equal Total due to the inclusion of miscellaneous promotional volume.

PM'S SHARE DECLINED -0.4 POINTS VERSUS WEEK-AGO TO 47.6%, WHILE ON A FOUR WEEK BASIS, PM'S PERFORMANCE WAS DOWN -0.1 POINTS VERSUS FOUR WEEKS-AGO.

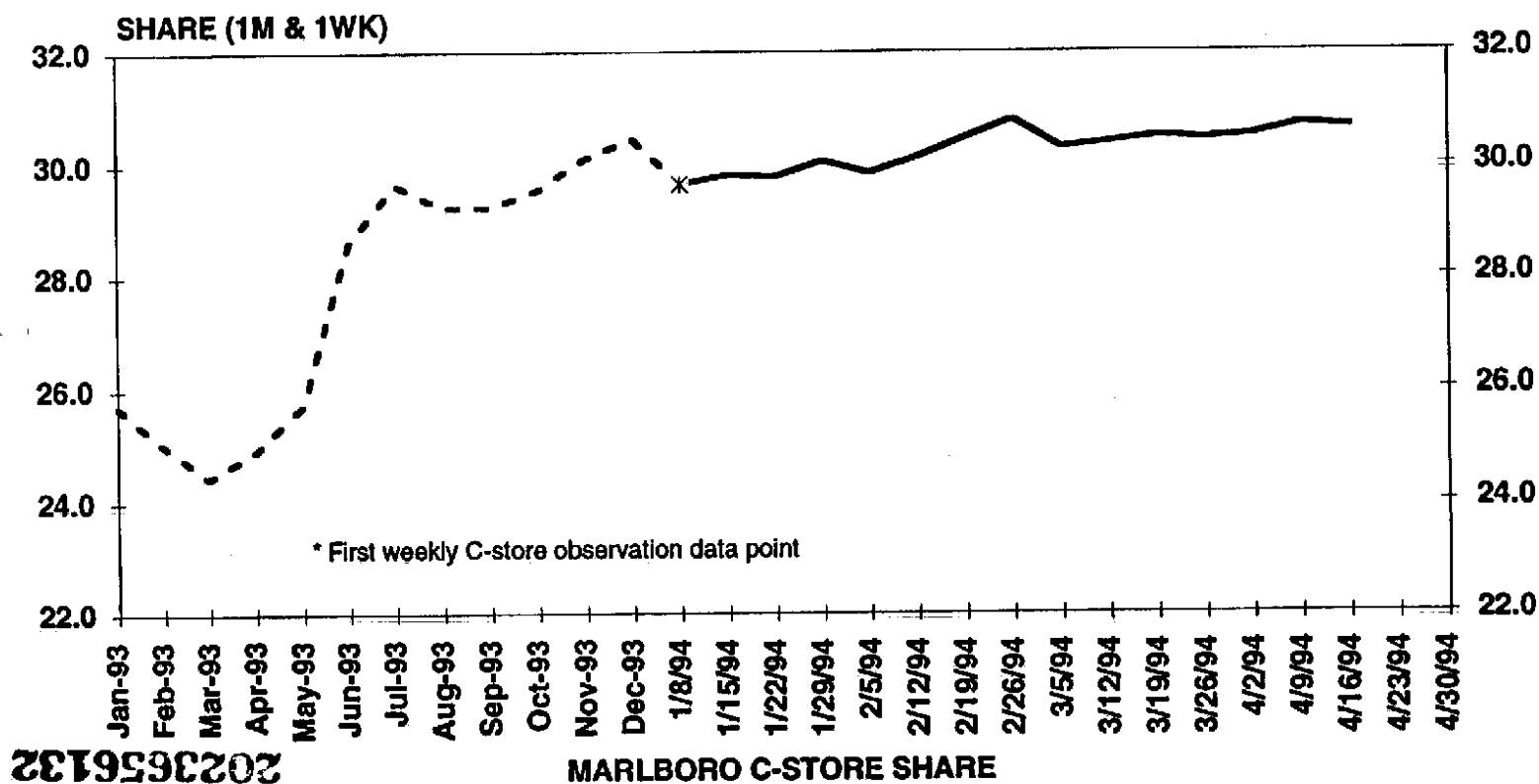


Note: Monthly share data is based on the same 800 store sample as the weekly share information.

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 1

**MARLBORO'S WEEKLY SHARE DECLINED -0.1 POINTS VERSUS WEEK-AGO TO 30.7%,  
WHILE THE FRANCHISE ADVANCED +0.1 POINTS ON A FOUR WEEK BASIS.**

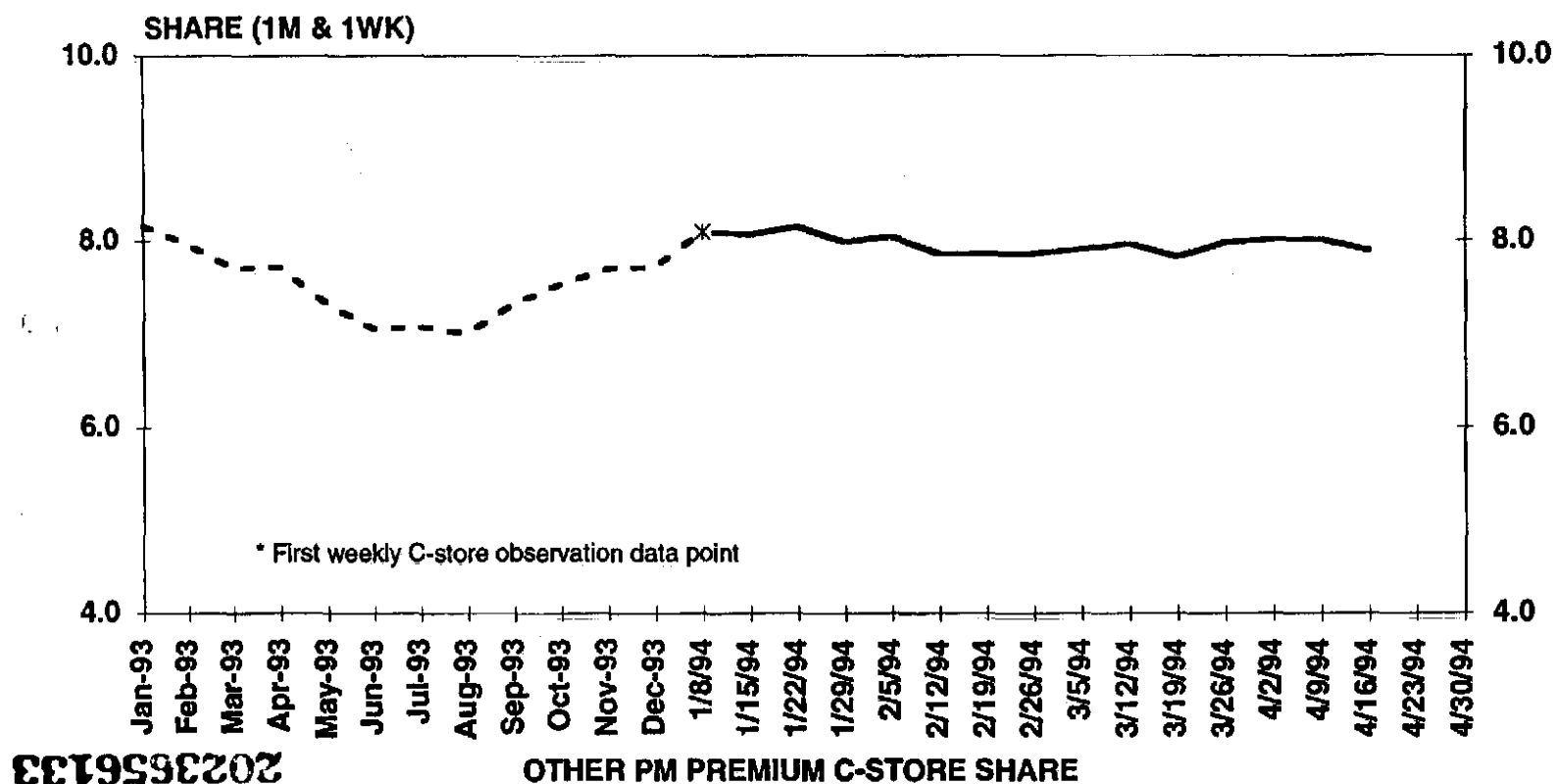


Note: Monthly share data is based on the same 800 store sample as the weekly share information.

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 4

**PM'S OTHER PREMIUM BRANDS' SHARE DECLINED -0.1 POINTS VERSUS WEEK-AGO TO 7.9%, WHILE ON A FOUR WEEK BASIS OPB GAINED +0.1 POINTS.**

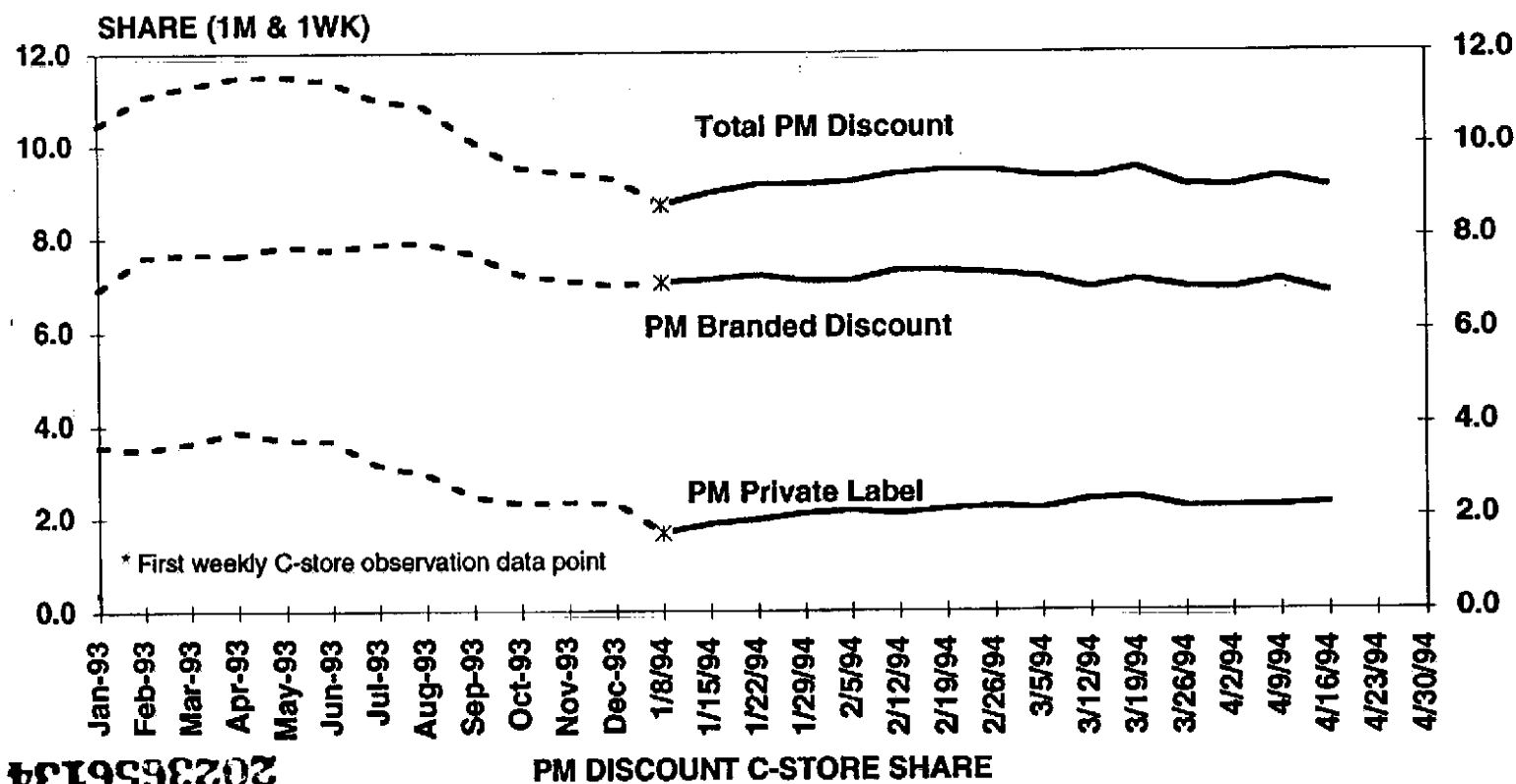


Note: Monthly share data is based on the same 800 store sample as the weekly share information.

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 2

PM'S DISCOUNT BRANDS' SHARE DECLINED -0.2 POINTS VERSUS WEEK-AGO TO 9.1%, WITH BASIC AND ALPINE LOSSES PARTIALLY OFFSET BY PM'S PRIVATE LABEL GAINS.

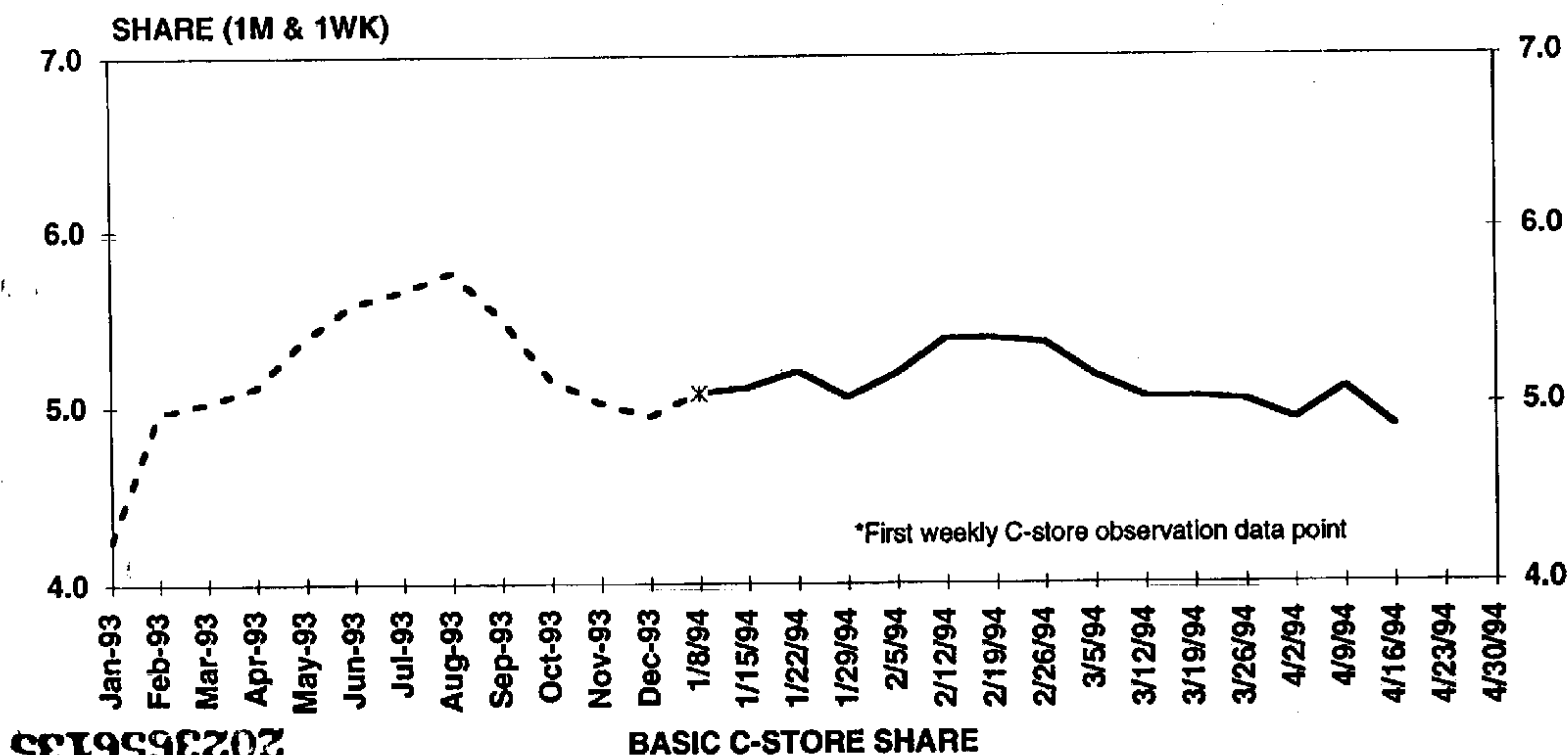


Note: Monthly share data is based on the same 800 store sample as the weekly share information.

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 3

**BASIC'S SHARE IN CONVENIENCE STORES DECLINED -0.2 POINTS BOTH ON A WEEK-TO-WEEK AND FOUR WEEK PERIOD.**

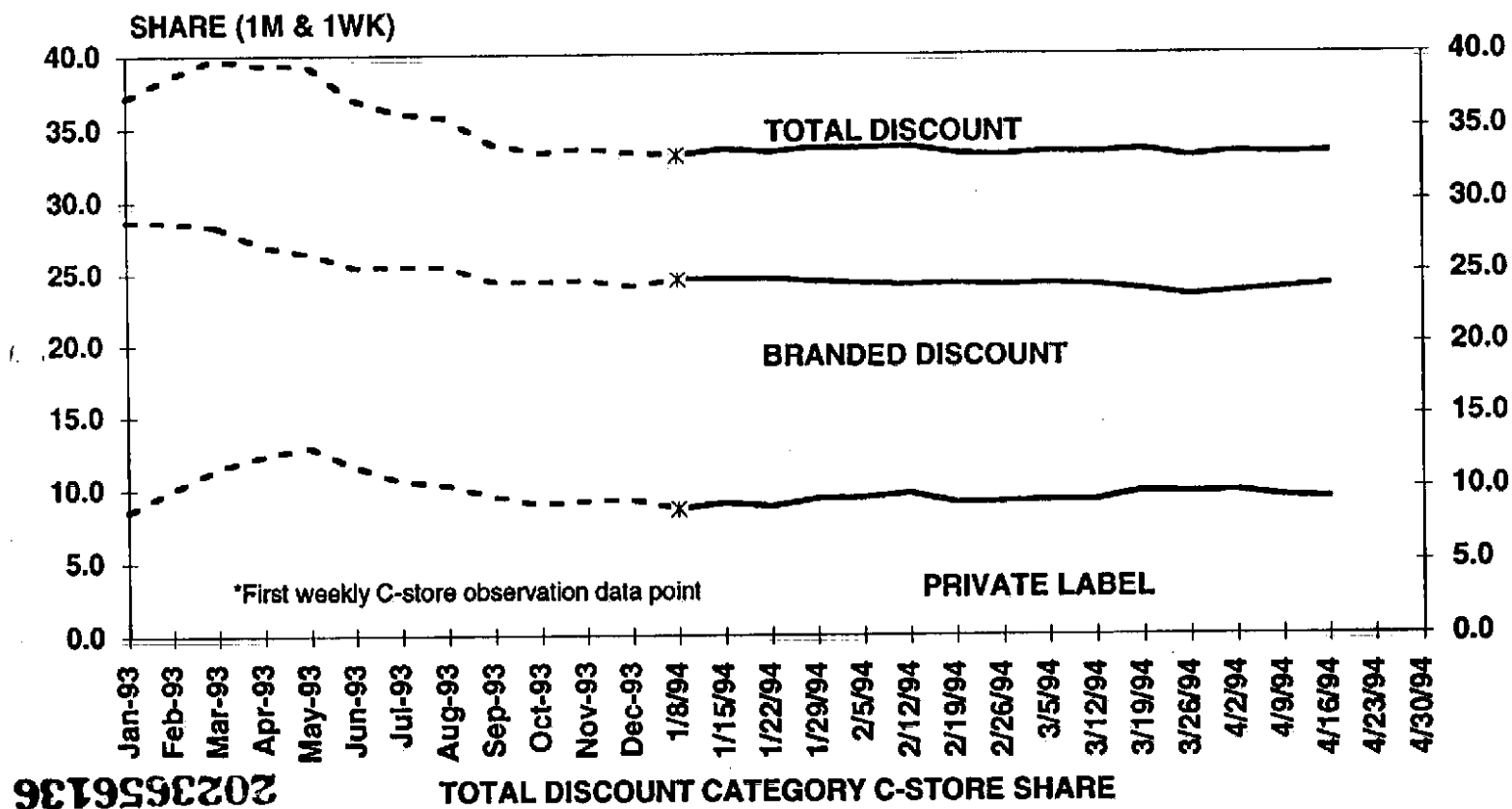


Note: Monthly share data is based on the same 800 store sample as the weekly share information.

Source: Integrated Nielsen Panel

Nielsen C-store weekly 800 Chart 8

THE DISCOUNT CATEGORY'S SHARE GAINED +0.1 POINTS VERSUS WEEK-AGO TO 33.3%, AS BRANDED DISCOUNT GAINS WERE PARTIALLY OFFSET BY PRIVATE LABEL LOSSES (DRIVEN BY RJR'S PL FRANCHISES).

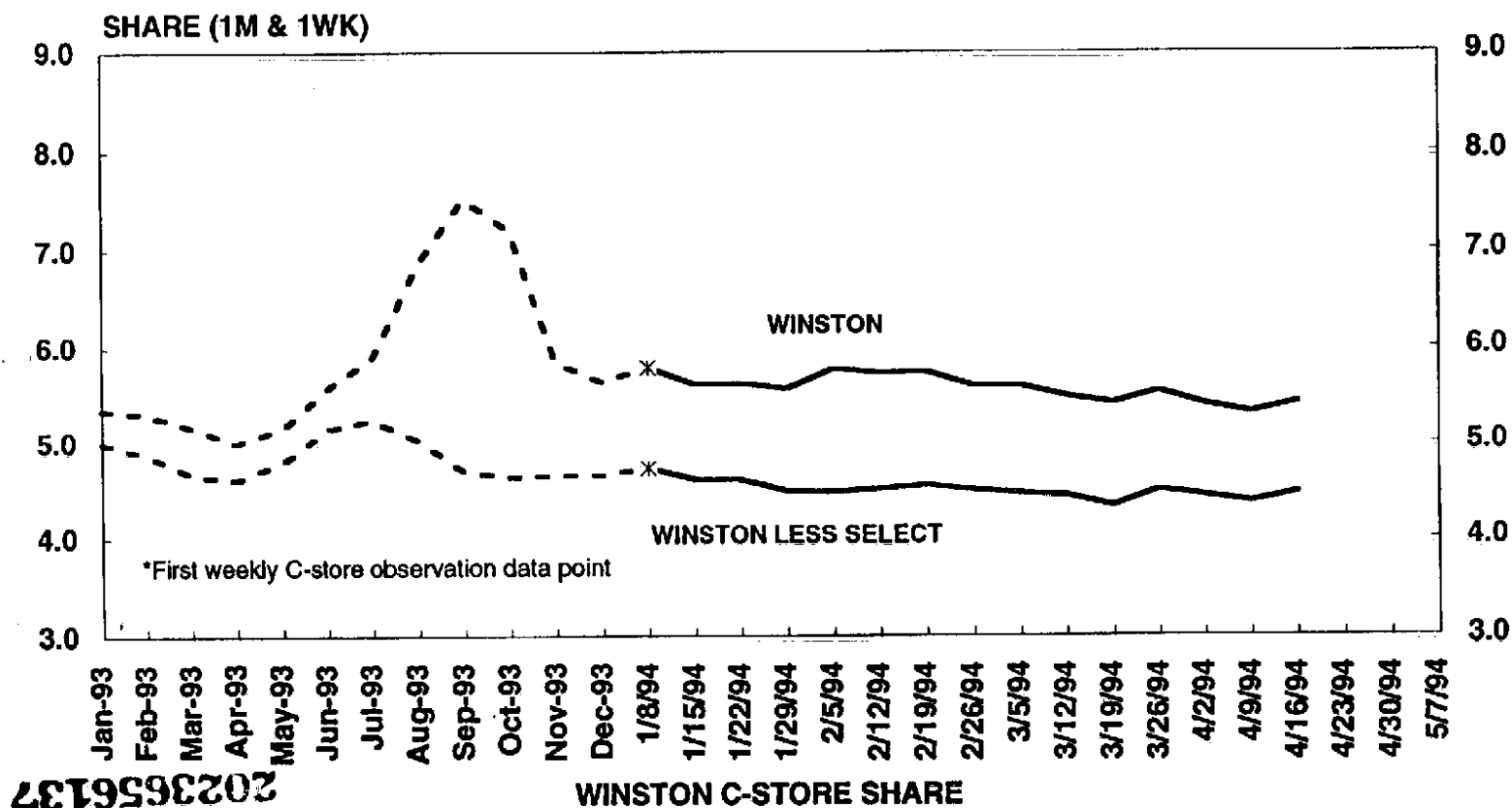


Note: Monthly share data is based on the same 800 store sample as the weekly share information.

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 6

WINSTON'S SHARE THIS WEEK IN C-STORES WAS 5.4%, UP +0.1 POINTS VERSUS WEEK-AGO.



Note: Monthly share data is based on the same 800 store sample as the weekly share information.

Source: Integrated Nielsen Panel

Nielsen Cstore weekly 800 Chart 12

**THE INCIDENCE OF CAMEL FREE PRODUCT DEALS INCREASED +3 POINTS VERSUS WEEK-AGO AND 16 POINTS DURING THE LATEST FIVE WEEKS TO 31% OF STORES AS CAMEL FREE PRODUCT SHARE WAS UNCHANGED WEEK-TO-WEEK.**

	<u>1/22</u>	<u>1/29</u>	<u>2/5</u>	<u>2/12</u>	<u>2/19</u>	<u>2/26</u>	<u>3/5</u>	<u>3/12</u>	<u>3/19</u>	<u>3/26</u>	<u>4/2</u>	<u>4/9</u>	<u>4/16</u>
<b>Total Industry</b>	<b>1.01</b>	<b>1.03</b>	<b>0.94</b>	<b>0.92</b>	<b>1.07</b>	<b>1.09</b>	<b>1.07</b>	<b>1.09</b>	<b>1.19</b>	<b>0.96</b>	<b>1.32</b>	<b>1.12</b>	<b>1.07</b>
<b>Total RJR</b>	<b>0.74</b>	<b>0.73</b>	<b>0.65</b>	<b>0.69</b>	<b>0.70</b>	<b>0.67</b>	<b>0.78</b>	<b>0.87</b>	<b>0.76</b>	<b>0.65</b>	<b>1.03</b>	<b>0.74</b>	<b>0.62</b>
<b>Total Winston</b>	<b>0.13</b>	<b>0.20</b>	<b>0.32</b>	<b>0.42</b>	<b>0.34</b>	<b>0.35</b>	<b>0.23</b>	<b>0.24</b>	<b>0.17</b>	<b>0.10</b>	<b>0.06</b>	<b>0.05</b>	<b>0.07</b>
<b>Total Camel</b>	<b>0.35</b>	<b>0.24</b>	<b>0.22</b>	<b>0.21</b>	<b>0.28</b>	<b>0.15</b>	<b>0.18</b>	<b>0.17</b>	<b>0.22</b>	<b>0.23</b>	<b>0.47</b>	<b>0.45</b>	<b>0.41</b>
<b>Total Doral</b>	<b>0.16</b>	<b>0.10</b>	<b>0.03</b>	<b>0.04</b>	<b>0.05</b>	<b>0.16</b>	<b>0.35</b>	<b>0.45</b>	<b>0.35</b>	<b>0.28</b>	<b>0.47</b>	<b>0.22</b>	<b>0.13</b>
<b>Monarch</b>	<b>0.09</b>	<b>0.18</b>	<b>0.07</b>	<b>0.02</b>	<b>0.03</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.02</b>	<b>0.03</b>	<b>0.03</b>	<b>0.02</b>	<b>0.01</b>
<b>Total PM</b>	<b>0.17</b>	<b>0.18</b>	<b>0.19</b>	<b>0.11</b>	<b>0.21</b>	<b>0.24</b>	<b>0.11</b>	<b>0.11</b>	<b>0.29</b>	<b>0.21</b>	<b>0.23</b>	<b>0.28</b>	<b>0.36</b>
<b>PM Premium</b>	<b>0.00</b>	<b>0.00</b>	<b>0.30</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.03</b>	<b>0.02</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.04</b>
<b>PM Discount</b>	<b>0.17</b>	<b>0.18</b>	<b>0.16</b>	<b>0.10</b>	<b>0.21</b>	<b>0.24</b>	<b>0.11</b>	<b>0.08</b>	<b>0.28</b>	<b>0.20</b>	<b>0.22</b>	<b>0.27</b>	<b>0.32</b>
<b>Total Lorillard</b>	<b>0.04</b>	<b>0.02</b>	<b>0.02</b>	<b>0.06</b>	<b>0.04</b>	<b>0.01</b>	<b>0.01</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>
<b>Total B&amp;W</b>	<b>0.05</b>	<b>0.10</b>	<b>0.07</b>	<b>0.05</b>	<b>0.09</b>	<b>0.07</b>	<b>0.09</b>	<b>0.06</b>	<b>0.07</b>	<b>0.08</b>	<b>0.05</b>	<b>0.07</b>	<b>0.06</b>
<b>Total American</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.02</b>	<b>0.10</b>	<b>0.08</b>	<b>0.05</b>	<b>0.06</b>	<b>0.03</b>	<b>0.01</b>	<b>0.02</b>	<b>0.03</b>

**8C1959CZ02**

SOURCE: NEILSEN WEEKLY C-STORE AUDIT (400 STORES)

Free Prod Chart

SMOKER SHARE

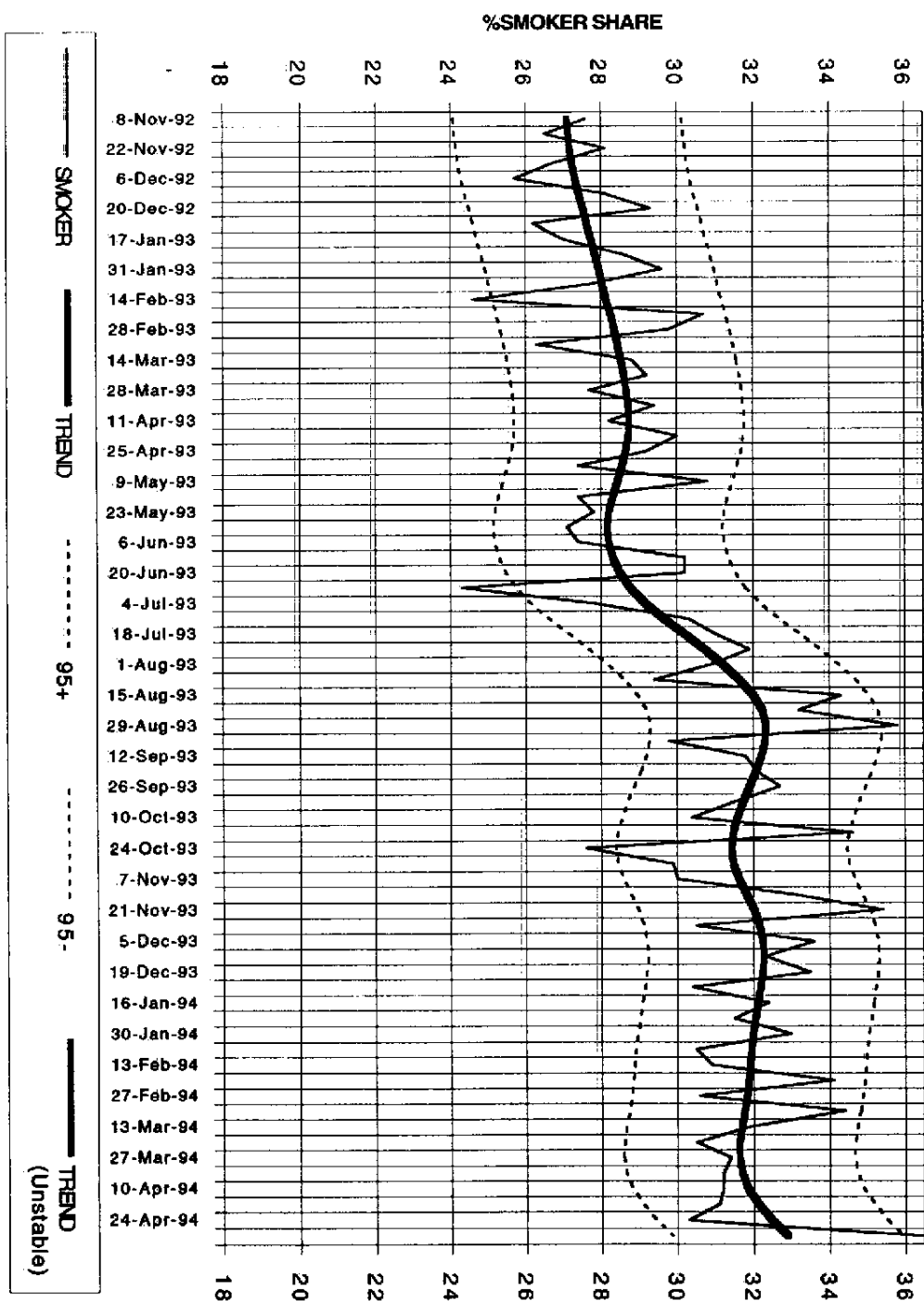
2023656139

**MARLBORO SMOKER SHARE**

- Marlboro's smoker and volumetric share trends remain consistent with Nielsen and shipment performance.

**2023656140**

# MARLBORO SMOKER SHARE (AMONG TOTAL SMOKERS)



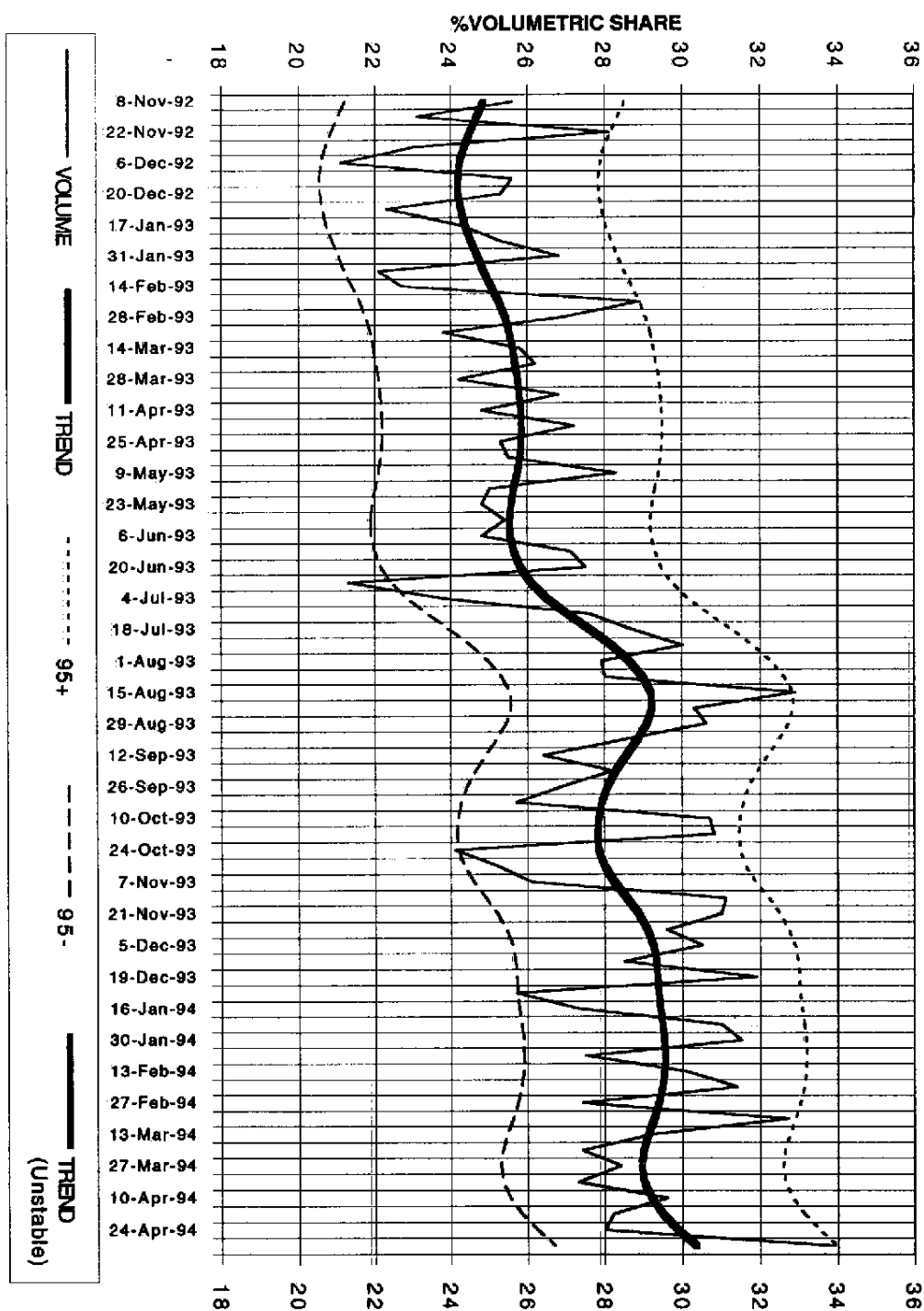
1419538202

SOURCE: SMOKER TRACKING STUDY - WEEKLY

\*APRIL AND MAY '94 REPRESENT TOP LINE DATA

W/SMOK2

# MARLBORO VOLUMETRIC SHARE (AMONG TOTAL SMOKERS)



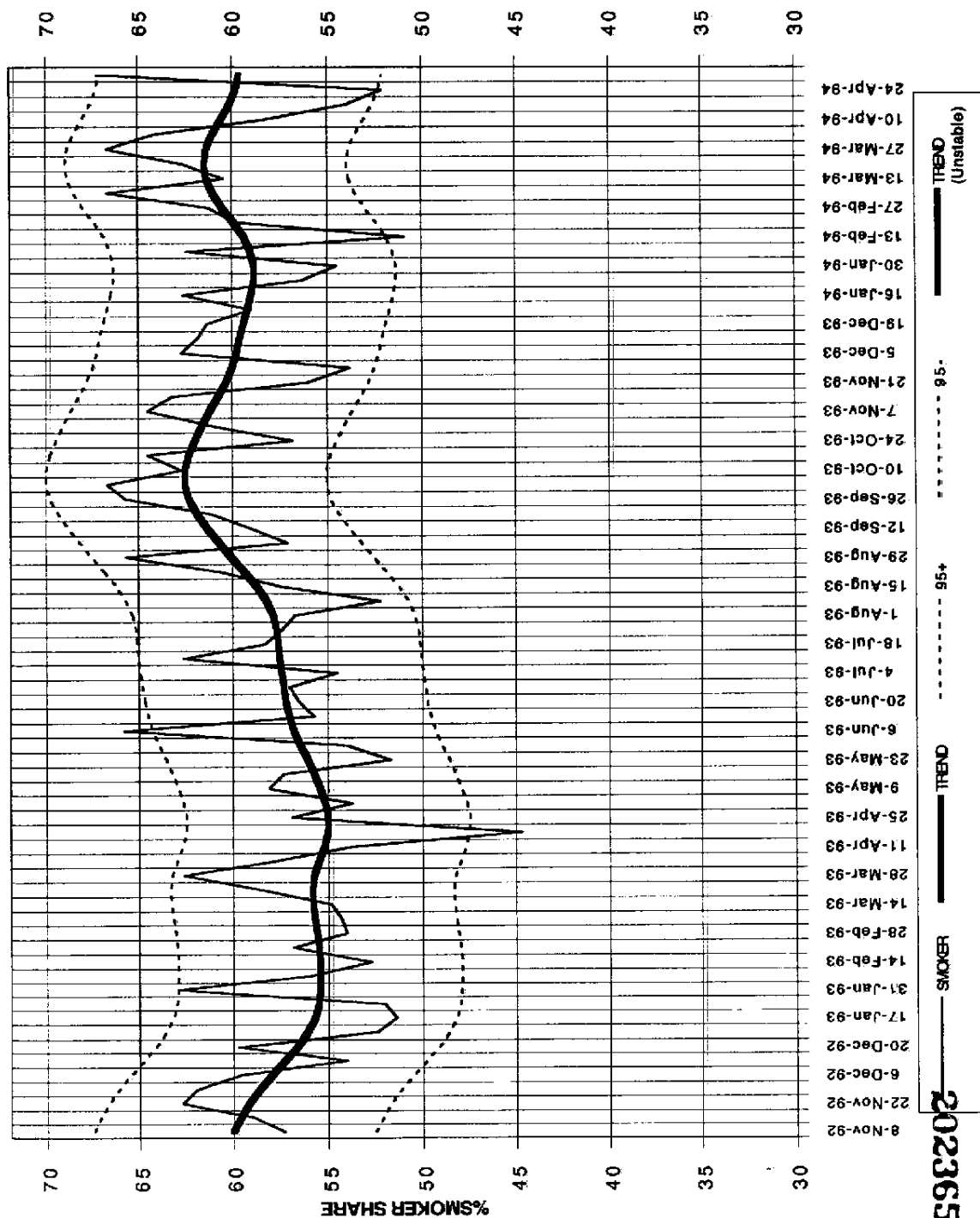
202365612

SOURCE: VOLUMETRICS - WEEKLY

\*APRIL AND MAY REPRESENT TOP LINE DATA

W.VOL.1

# MARLBORO SMOKER SHARE (AMONG 18-24 SMOKERS)

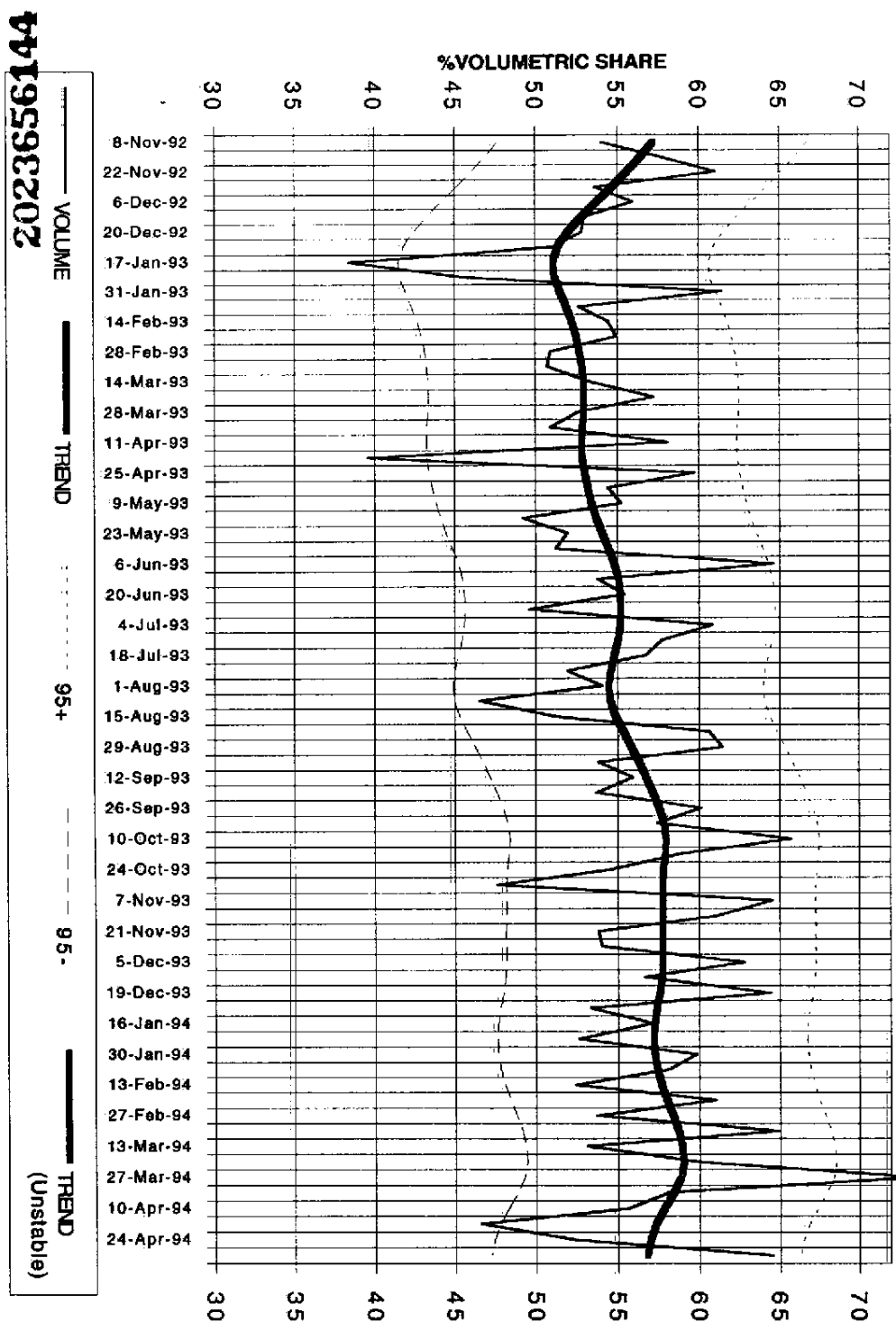


SOURCE: SMOKER TRACKING STUDY - WEEKLY

\*APRIL AND MAY '94 REPRESENT TOP LINE DATA

- W. SMOK. 1824.4

# MARLBORO VOLUMETRIC SHARE (AMONG 18-24 SMOKERS)

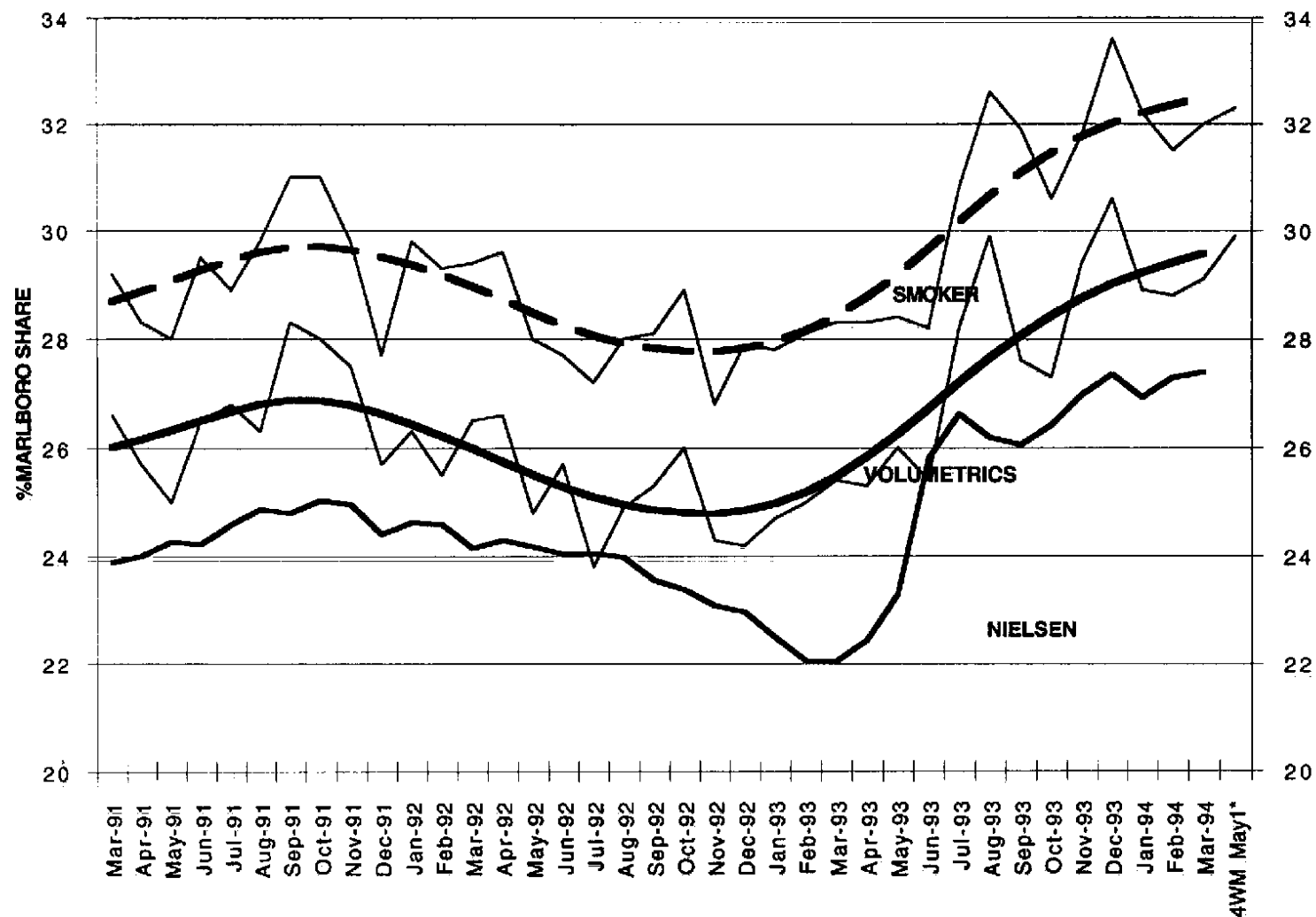


SOURCE: VOLUMETRICS - WEEKLY

\*APRIL AND MAY '94 REPRESENTS TOP LINE DATA

W VOL 1824.3

**MARLBORO SMOKER AND VOLUMETRIC SHARE TRENDS (AMONG TOTAL SMOKERS)  
CONTINUE TO INCREASE.**

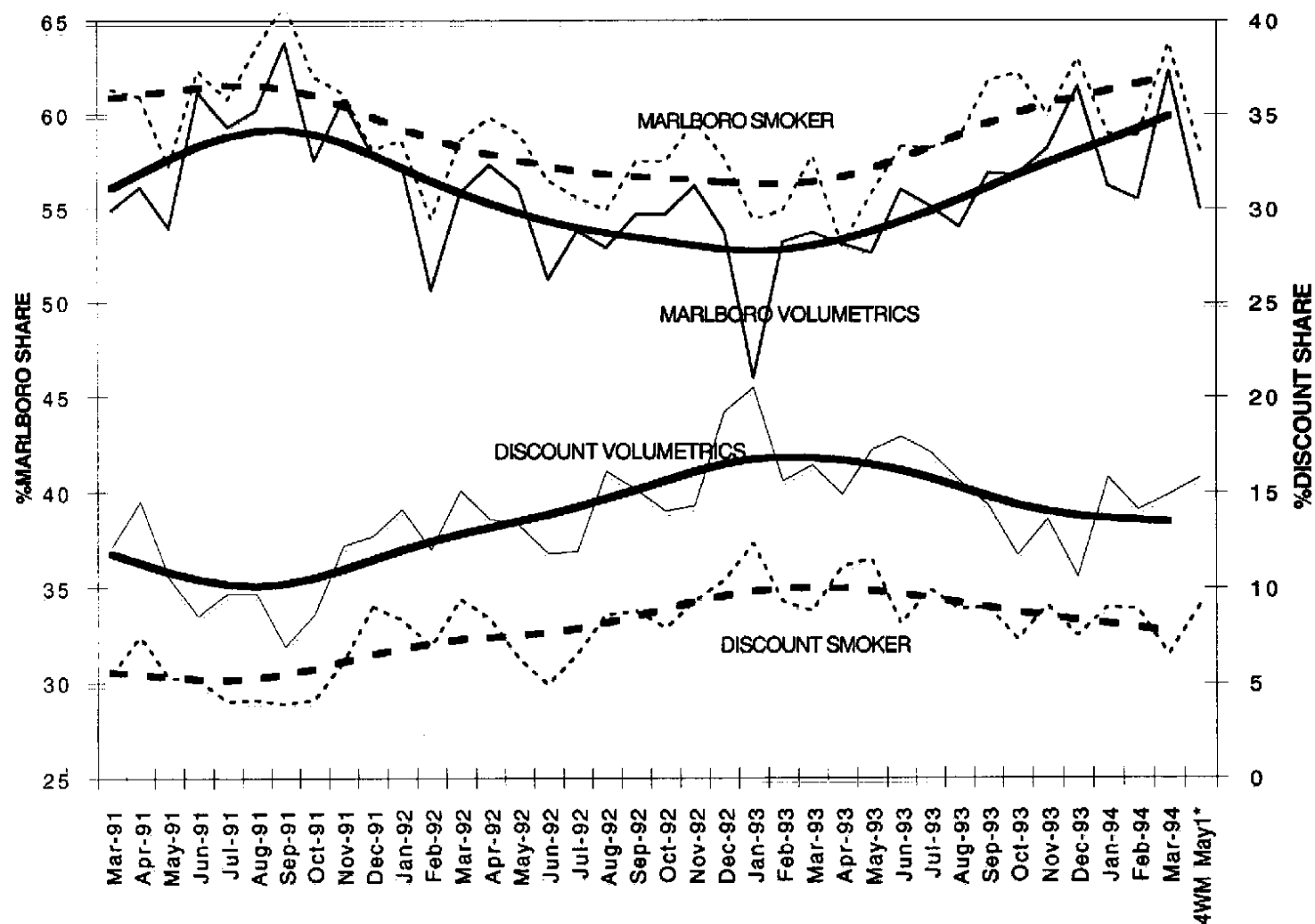


2023656145

SOURCE: CONTINUOUS TRACKING STUDY, NIELSEN - MONTHLY

\*APRIL AND MAY '94 REPRESENT TOP LINE DATA

**MARLBORO SMOKER AND VOLUMETRIC SHARE TRENDS (AMONG 18-24 SMOKERS)  
CONTINUE TO INCREASE.**



2023656146

SOURCE: CONTINUOUS SMOKER TRACKING STUDY - 1MM

\*APRIL AND MAY '94 DATA IS TOP LINE

W. MARLB. 1824.5